

# Harry Gwala District Municipality



## Monthly Budget Statement 30 April 2022.

### In-Year Report of the Municipality

Prepared in terms of Section 71 of the Local Government Municipal Finance Management Act, (Act 56 of 2003) and the Municipal Budget and Reporting Regulations, Government Gazette 32141, 17 June 2009.

**Budget & Treasury Office**

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## Glossary

**Allocations** – Money received from Provincial or National Government or other municipalities.

**Budget** – The financial plan of the Municipality.

**Budget related policy** – Policy of a municipality affecting or affected by the budget, examples include tariff policy, rates policy and credit control and debt collection policy.

**Capital expenditure** - Spending on assets such as land, buildings and machinery. Any capital expenditure must be reflected as an asset on the Municipality's balance sheet.

**Cash flow statement** – A statement showing when actual cash will be received and spent by the Municipality. Cash payments do not always coincide with budgeted expenditure timings. For example, when an invoice is received by the Municipality it is shown as expenditure in the month it is received, even though it may not be paid in the same period.

**DORA** – Division of Revenue Act. Annual legislation that shows the total allocations made by National to Provincial and local government.

**Equitable share** – A general grant paid to municipalities. It is predominantly targeted to help with free basic services.

**Fruitless and wasteful expenditure** – Expenditure that was made in vain and would have been avoided had reasonable care been exercised.

**GFS** – Government Finance Statistics. An internationally recognised classification system that facilitates like for like comparison between municipalities.

**GRAP** – Generally Recognised Accounting Practice. The new standard for municipal accounting.

**IDP** – Integrated Development Plan. The main strategic planning document of the municipality

**MBRR** – Local Government: Municipal Finance Management Act (56/2003): Municipal budget and reporting regulations April 2009

**MFMA** – The Municipal Finance Management Act – No. 56 of 2003. The principle piece of legislation relating to municipal financial management.

**MTREF** – Medium Term Revenue and Expenditure Framework. A medium term financial plan, usually 3 years, based on a fixed first year and indicative further two years budget allocations. Also includes details of the previous and current years' financial position.

**Operating expenditure** – Spending on the day to day expenses of the Municipality such as salaries and wages.

**Rates** – Local Government tax based on the assessed value of a property. To determine the rates payable, the assessed rateable value is multiplied by the rate in the rand.

**SDBIP** – Service Delivery and Budget Implementation Plan. A detailed plan comprising quarterly performance targets and monthly budget estimates.

**Strategic objectives** – The main priorities of the Municipality as set out in the IDP. Budgeted spending must contribute towards the achievement of the strategic objectives.

**Unauthorised expenditure** – Generally, spending without, or in excess of, an approved budget.

**Virement** – A transfer of budget.

**Virement policy** - The policy that sets out the rules for budget transfers. Virements are normally allowed within a vote. Transfers between votes must be agreed by Council through an Adjustments Budget.

**Vote** – One of the main segments into which a budget. In Harry Gwala District Municipality means a directorate level.

## **1.1 PURPOSE**

To table a report on the Implementation of the current budget and the financial state of the Municipality in terms of Section 71 of the Municipal Finance Management Act (MFMA)

## **LEGAL FRAMEWORK**

- Local Government: Municipal Finance Management Act, 56 of 2003
- SCM Regulations
- SCM Policy
- Municipal Budget Reporting Regulation
- Division of Revenue Act

## **1.2 Executive Summary or Background**

### **Legislative Requirements**

In terms of the section 71 of the MFMA the accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month and for the financial year up to the end of that month:

- (a)* Actual revenue, per revenue source;
- (b)* actual borrowings;
- (c)* actual expenditure, per vote;

- (d)* actual capital expenditure, per vote;
- (e)* the amount of any allocations received;
- (f)* actual expenditure on those allocations, excluding expenditure on—
  - (i) its share of the local government equitable share; and
  - (ii) allocations exempted by the annual Division of Revenue Act from compliance with this paragraph; and
- (g)* when necessary, an explanation of—
  - (i) any material variances from the municipality's projected revenue by source, and from the municipality's expenditure projections per vote;
  - (ii) any material variances from the service delivery and budget implementation plan; and
  - (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the municipality's

## **DELIBERATION/DISCUSSION**

The discussion that follows, in terms of MFMA Section 71 above, intends to inform the Budget & Treasury Committee on the progress made thus far in terms of implementing the 2021/2022 budget for the period ending 30 April 2022

### **1.3 Resolutions**

This report will be tabled to the Budget & Treasury committee and Executive Committee therefore the resolution will be available once it is tabled to the council in terms of Sec 52 (d) of the MFMA.

This report analyzes the three main components of the budget against actual results with,

- Revenue
- Operational, and
- Capital Budgets

It further looks at other reportable matters in terms of section 71 of the MFMA.

#### **Budget summary**

The budget summary is intended to give an overall summary with regards to the implementation of the 2021/2022 budget for the period ending 30 April 2022. Chart 1 presented below gives a summary of the budgeted Revenue, Operating as well as Capital expenditure and the movements for the month of April as well as the Year to Date movements (YTD).

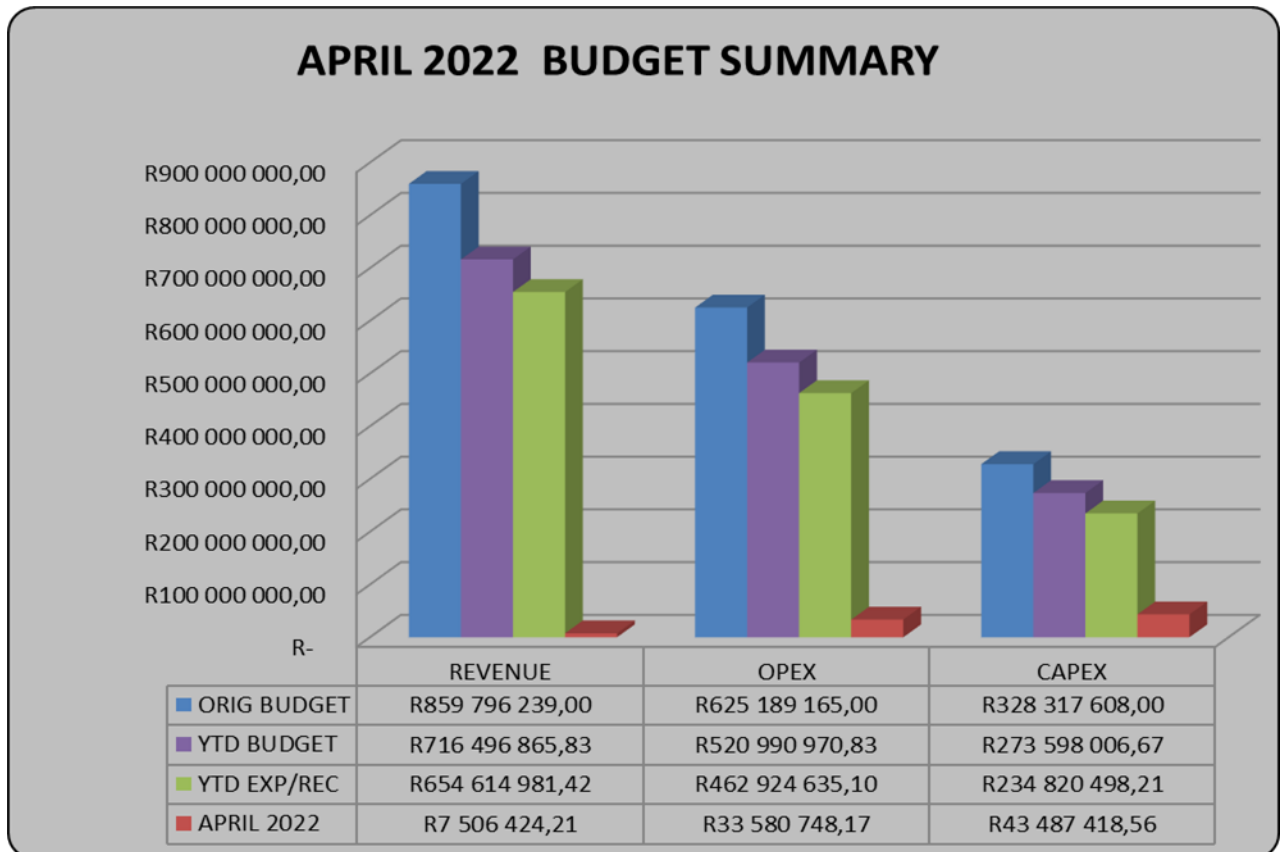
## Overall financial position on the capital and operating budget

The following table summarises the overall financial position on the capital and operating budgets:

| DESCRIPTION         | OPERATING REVENUE | OPERATING EXPENDITURE | CAPITAL EXPENDITURE |
|---------------------|-------------------|-----------------------|---------------------|
| Original Budget     | R 503 257 792,00  | R 577 594 066,00      | R 307 283 480,00    |
| Adjusted Budget     | R 494 538 239,00  | R 625 189 165,00      | R 328 317 608,00    |
| Year to Date Budget | R 413 889 434,20  | R 506 953 721,44      | R 256 504 754,07    |
| Year to Date Actual | R 468 818 837,51  | R 462 924 635,10      | R 234 820 498,21    |
| Monthly actual      | R 7 506 424,21    | R 33 580 748,17       | R 43 487 418,56     |
| YTD variance(Rand)  | R 54 929 403,31   | -R 44 029 086,34      | -R 21 684 255,86    |
| YTD variance %      | 13%               | -9%                   | -8%                 |



**Chart 1: Budget vs. Expenditure Summary**



**Revenue by Source**

The original approved revenue for the 2021/2022 budget amounts to R859, 7m. The year to date actual revenue for the period ended 30 April 2022 amounted to R654, 6m which is 91% of the Year to Date (YTD) budget. The year to date revenue is largely constituted of the Operational & Capital grant receipts with the Water & Sanitation Revenue contributing to the balance.

## **Operating expenditure by vote & type**

The total operating budget for the current year amounts to R625, 1m. The YTD Operating expenditure for the month ended 30 April amounted to R462, 9m against a year to date (YTD) budget of R520, 9m. The actual YTD expenditure represented 89% of the planned.

## **Capital expenditure**

The total capital budget for the current year amounts to R328, 3m. The YTD expenditure on capital amounts to R234, 8million, or 86% of the planned expenditure. Capital expenditure is mainly funded by means of National grants.

### **1.4 Monthly Budget Statement Tables**

#### **Monthly Budget Statements Summary**

Table C1 below provides a summary of the overall performance in the Municipality and is unpacked in the sections that follow.

DC43 Harry Gwala - Table C1 Consolidated Monthly Budget Statement Summary - M10 April

| Description  | 2020/21          | Budget Year 2021/22 |                   |                    |                    |                    |                     |                 |                    |
|--|------------------|---------------------|-------------------|--------------------|--------------------|--------------------|---------------------|-----------------|--------------------|
|  | Audited Outcome  | Original Budget     | Adjusted Budget   | Monthly actual     | YearTD actual      | YearTD budget      | YTD variance        | YTD variance %  | Full Year Forecast |
| <b>R thousands</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Financial Performance</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Property rates   | -                | -                   | -                 | -                  | -                  | -                  | -                   | -               | -                  |
| Service charges  | 67 765           | 69 422              | 61 063            | 5 875              | 50 310             | 52 576             | (2 265)             | -4%             | 61 063             |
| Investment revenue   | 3 011            | 5 682               | 4 504             | 622                | 4 000              | 4 029              | (29)                | -1%             | 4 504              |
| Transfers and subsidies  | 430 342          | 417 406             | 417 406           | -                  | 404 663            | 347 838            | 56 825              | 16%             | 417 406            |
| Other own revenue  | 10 879           | 10 748              | 11 565            | 1 009              | 9 846              | 9 447              | 399                 | 4%              | 11 565             |
| <b>Total Revenue (excluding capital transfers and contributions)</b>   | <b>511 997</b>   | <b>503 258</b>      | <b>494 538</b>    | <b>7 506</b>       | <b>468 819</b>     | <b>413 889</b>     | <b>54 929</b>       | <b>13%</b>      | <b>494 538</b>     |
| Employee costs   | 217 969          | 237 156             | 243 395           | 18 912             | 192 309            | 201 375            | (9 066)             | -5%             | 243 395            |
| Remuneration of Councillors  | 7 813            | 8 922               | 8 538             | 568                | 5 994              | 7 205              | (1 211)             | -17%            | 8 538              |
| Depreciation & asset impairment  | 79 359           | 87 410              | 88 415            | -                  | 51 764             | 73 445             | (21 680)            | -30%            | 88 415             |
| Finance charges  | 995              | 1 328               | 415               | -                  | -                  | 559                | (559)               | -100%           | 415                |
| Inventory consumed and bulk purchases  | 27 868           | 31 249              | 41 337            | 2 597              | 35 315             | 32 194             | 3 121               | 10%             | 41 337             |
| Transfers and subsidies  | 17 000           | 17 000              | 17 000            | -                  | 10 600             | 14 167             | (3 567)             | -25%            | 17 000             |
| Other expenditure  | 224 777          | 194 529             | 226 090           | 11 503             | 166 942            | 178 010            | (11 068)            | -6%             | 226 090            |
| <b>Total Expenditure</b>   | <b>575 782</b>   | <b>577 594</b>      | <b>625 189</b>    | <b>33 581</b>      | <b>462 925</b>     | <b>506 954</b>     | <b>(44 029)</b>     | <b>-9%</b>      | <b>625 189</b>     |
| <b>Surplus/(Deficit)</b>   | <b>(63 785)</b>  | <b>(74 336)</b>     | <b>(130 651)</b>  | <b>(26 074)</b>    | <b>5 894</b>       | <b>(93 064)</b>    | <b>98 958</b>       | <b>-106%</b>    | <b>(130 651)</b>   |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)  | 302 857          | 298 258             | 365 258           | -                  | 185 796            | 280 748            | (94 952)            | -34%            | 365 258            |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all) | 4 693            | -                   | -                 | -                  | -                  | -                  | -                   | -               | -                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>   | <b>243 766</b>   | <b>223 922</b>      | <b>234 607</b>    | <b>(26 074)</b>    | <b>191 690</b>     | <b>187 684</b>     | <b>4 006</b>        | <b>2%</b>       | <b>234 607</b>     |
| Share of surplus/ (deficit) of associate   | -                | -                   | -                 | -                  | -                  | -                  | -                   | -               | -                  |
| <b>Surplus/ (Deficit) for the year</b>   | <b>243 766</b>   | <b>223 922</b>      | <b>234 607</b>    | <b>(26 074)</b>    | <b>191 690</b>     | <b>187 684</b>     | <b>4 006</b>        | <b>2%</b>       | <b>234 607</b>     |
| <b>Capital expenditure &amp; funds sources</b>   |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| <b>Capital expenditure</b>   | <b>296 457</b>   | <b>307 283</b>      | <b>328 318</b>    | <b>43 487</b>      | <b>234 820</b>     | <b>256 505</b>     | <b>(21 684)</b>     | <b>-8%</b>      | <b>328 318</b>     |
| Capital transfers recognised   | 268 028          | 298 258             | 317 616           | 43 383             | 227 870            | 248 006            | (20 136)            | -8%             | 317 616            |
| Borrowing  | -                | -                   | -                 | -                  | -                  | -                  | -                   | -               | -                  |
| Internally generated funds   | 28 430           | 9 025               | 10 702            | 105                | 6 950              | 8 499              | (1 549)             | -18%            | 10 702             |
| <b>Total sources of capital funds</b>  | <b>296 457</b>   | <b>307 283</b>      | <b>328 318</b>    | <b>43 487</b>      | <b>234 820</b>     | <b>256 505</b>     | <b>(21 684)</b>     | <b>-8%</b>      | <b>328 318</b>     |
| <b>Financial position</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total current assets   | 104 170          | 107 619             | 105 932           | -                  | 276 422            | -                  | -                   | -               | 105 932            |
| Total non current assets   | 2 551 972        | 2 845 908           | 2 791 875         | -                  | 2 735 028          | -                  | -                   | -               | 2 791 875          |
| Total current liabilities  | 101 296          | 106 785             | 102 202           | -                  | 281 397            | -                  | -                   | -               | 102 202            |
| Total non current liabilities  | 42 646           | 25 676              | 28 756            | -                  | 26 390             | -                  | -                   | -               | 28 756             |
| Community wealth/Equity  | <b>2 597 195</b> | <b>2 821 066</b>    | <b>2 756 163</b>  | -                  | <b>2 401 687</b>   | -                  | -                   | -               | <b>2 756 163</b>   |
| <b>Cash flows</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Net cash from (used) operating   | (99 951)         | 305 780             | 251 413           | (44 939)           | 311 026            | 209 511            | (101 515)           | -48%            | 251 413            |
| Net cash from (used) investing   | (251 425)        | (307 283)           | (328 318)         | (43 487)           | (234 820)          | (273 598)          | (38 778)            | 14%             | (328 318)          |
| Net cash from (used) financing   | (170)            | (122)               | (27)              | 18                 | (2 162)            | (1 812)            | 349                 | -19%            | (2 182)            |
| <b>Cash/cash equivalents at the month/year end</b>   | <b>(310 876)</b> | <b>47 106</b>       | <b>(25 069)</b>   | <b>-</b>           | <b>125 907</b>     | <b>(65 899)</b>    | <b>(191 806)</b>    | <b>291%</b>     | <b>(79 087)</b>    |
| <b>Debtors &amp; creditors analysis</b>  | <b>0-30 Days</b> | <b>31-60 Days</b>   | <b>61-90 Days</b> | <b>91-120 Days</b> | <b>121-150 Dys</b> | <b>151-180 Dys</b> | <b>181 Dys-1 Yr</b> | <b>Over 1Yr</b> | <b>Total</b>       |
| <b>Debtors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total By Income Source   | 8 573            | 5 334               | 4 341             | 4 014              | 2 527              | 2 800              | 19 706              | 191 782         | 239 075            |
| <b>Creditors Age Analysis</b>  |                  |                     |                   |                    |                    |                    |                     |                 |                    |
| Total Creditors  | 270              | 26                  | -                 | 103                | -                  | -                  | -                   | -               | 399                |

## Financial Performance

Table C2 provides the statement of financial performance by standard classification.

DC43 Harry Gwala - Table C2 Consolidated Monthly Budget Statement - Financial Performance (functional classification) - M10 April

| Description                                | 2020/21         | Budget Year 2021/22 |                 |                 |                |                |                 |                |                    |
|--|-----------------|---------------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual  | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| <b>R thousands</b>                         |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Revenue - Functional</b>                |                 |                     |                 |                 |                |                |                 |                |                    |
| <i>Governance and administration</i>       | 422 901         | 404 553             | 393 591         | 648             | 392 335        | 330 550        | 61 785          | 19%            | 393 591            |
| Executive and council                      | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Finance and administration                 | 422 901         | 404 553             | 393 591         | 648             | 392 335        | 330 550        | 61 785          | 19%            | 393 591            |
| Internal audit                             | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Community and public safety</i>         | -               | -                   | -               | 7               | 26             | -              | 26              | #DIV/0!        | -                  |
| Community and social services              | -               | -                   | -               | 7               | 26             | -              | 26              | #DIV/0!        | -                  |
| Sport and recreation                       | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Public safety                              | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Housing                                    | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Health                                     | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Economic and environmental services</i> | 8 568           | 22 412              | 17 090          | -               | 11 468         | 15 483         | (4 015)         | -26%           | 17 090             |
| Planning and development                   | 8 568           | 22 412              | 17 090          | -               | 11 468         | 15 483         | (4 015)         | -26%           | 17 090             |
| Road transport                             | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Environmental protection                   | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Trading services</i>                    | 388 078         | 374 551             | 449 115         | 6 851           | 250 785        | 348 604        | (97 819)        | -28%           | 449 115            |
| Energy sources                             | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Water management                           | 358 853         | 360 199             | 402 709         | 5 768           | 234 576        | 316 611        | (82 036)        | -26%           | 402 709            |
| Waste water management                     | 29 226          | 14 352              | 46 406          | 1 083           | 16 210         | 31 992         | (15 783)        | -49%           | 46 406             |
| Waste management                           | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Other</i>                               | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Revenue - Functional</b>          | <b>819 547</b>  | <b>801 516</b>      | <b>859 796</b>  | <b>7 506</b>    | <b>654 615</b> | <b>694 638</b> | <b>(40 023)</b> | <b>-6%</b>     | <b>859 796</b>     |
| <b>Expenditure - Functional</b>            |                 |                     |                 |                 |                |                |                 |                |                    |
| <i>Governance and administration</i>       | 233 309         | 251 534             | 258 065         | 16 469          | 187 335        | 211 372        | (24 037)        | -11%           | 258 065            |
| Executive and council                      | 27 920          | 24 745              | 41 476          | 4 550           | 32 352         | 28 992         | 3 359           | 12%            | 41 476             |
| Finance and administration                 | 195 887         | 217 553             | 208 299         | 11 237          | 148 204        | 175 277        | (27 073)        | -15%           | 208 299            |
| Internal audit                             | 9 503           | 9 236               | 8 289           | 682             | 6 779          | 7 102          | (323)           | -5%            | 8 289              |
| <i>Community and public safety</i>         | 17 674          | 18 501              | 19 197          | 1 370           | 16 060         | 15 835         | 224             | 1%             | 19 197             |
| Community and social services              | 17 674          | 18 501              | 19 197          | 1 370           | 16 060         | 15 835         | 224             | 1%             | 19 197             |
| Sport and recreation                       | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Public safety                              | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Housing                                    | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Health                                     | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Economic and environmental services</i> | 123 312         | 154 812             | 153 528         | 3 041           | 87 726         | 128 186        | (40 461)        | -32%           | 153 528            |
| Planning and development                   | 123 312         | 154 812             | 153 528         | 3 041           | 87 726         | 128 186        | (40 461)        | -32%           | 153 528            |
| Road transport                             | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Environmental protection                   | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Trading services</i>                    | 201 487         | 152 747             | 194 399         | 12 700          | 171 804        | 151 560        | 20 244          | 13%            | 194 399            |
| Energy sources                             | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Water management                           | 200 625         | 151 849             | 193 287         | 12 635          | 170 961        | 150 684        | 20 277          | 13%            | 193 287            |
| Waste water management                     | 862             | 898                 | 1 111           | 65              | 843            | 876            | (33)            | -4%            | 1 111              |
| Waste management                           | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <i>Other</i>                               | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Expenditure - Functional</b>      | <b>575 782</b>  | <b>577 594</b>      | <b>625 189</b>  | <b>33 581</b>   | <b>462 925</b> | <b>506 954</b> | <b>(44 029)</b> | <b>-9%</b>     | <b>625 189</b>     |
| <b>Surplus/ (Deficit) for the year</b>     | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> | <b>4 006</b>    | <b>2%</b>      | <b>234 607</b>     |

This table assesses the revenue by the department and then the expenditure for the period ending 30 April 2022. Revenue receipts in April have largely constituted of service charges which are water and sanitation. The overall budgeted revenue cash receipt for the month of April is 1%.

Expenditure by standard classification presents the expenditures by the departments. Water Services Department as the department responsible for the repairs and maintenance of the municipal assets and also with the largest staff complement, shares the greatest bulk of this budget and hence the expenditure of R15m.

Table C3 presents the same information as the table above, the difference being that it's by Municipal vote.

DC43 Harry Gwala - Table C3 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M10

| Vote Description   | 2020/21         | Budget Year 2021/22 |                 |                 |                |                |                 |                |                    |
|--|-----------------|---------------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual  | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| <b>R thousands</b>                                       |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Revenue by Vote</b>                                   |                 |                     |                 |                 |                |                |                 |                |                    |
| Vote 01 - Summary Council                                | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Vote 02 - Summary Municipal Manager                      | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Vote 03 - Summary Budget And Treasury Office             | 422 192         | 404 553             | 393 222         | 626             | 392 030        | 330 329        | 61 701          | 18,7%          | 393 222            |
| Vote 04 - Summary Corporate Services                     | 665             | -                   | 290             | -               | 233            | 174            | 58              | 33,5%          | 290                |
| Vote 05 - Summary Social Services & Development Planning | 3 875           | 22 412              | 17 090          | 7               | 11 495         | 15 483         | (3 989)         | -25,8%         | 17 090             |
| Vote 06 - Summary Infrastructure Services                | 305 438         | 311 333             | 347 169         | 318             | 188 554        | 272 145        | (83 592)        | -30,7%         | 347 169            |
| Vote 07 - Summary Water Services                         | 87 377          | 63 218              | 102 025         | 6 556           | 62 304         | 76 505         | (14 202)        | -18,6%         | 102 025            |
| Vote 15 - Other  | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Revenue by Vote</b>                             | <b>819 547</b>  | <b>801 516</b>      | <b>859 796</b>  | <b>7 506</b>    | <b>654 615</b> | <b>694 638</b> | <b>(40 023)</b> | <b>-5,8%</b>   | <b>859 796</b>     |
| <b>Expenditure by Vote</b>                               |                 |                     |                 |                 |                |                |                 |                |                    |
| Vote 01 - Summary Council                                | 14 956          | 16 256              | 23 199          | 1 723           | 16 795         | 16 981         | (186)           | -1,1%          | 23 199             |
| Vote 02 - Summary Municipal Manager                      | 22 466          | 17 726              | 26 567          | 3 510           | 22 336         | 19 114         | 3 222           | 16,9%          | 26 567             |
| Vote 03 - Summary Budget And Treasury Office             | 59 812          | 85 267              | 80 317          | 4 003           | 43 661         | 68 074         | (24 413)        | -35,9%         | 80 317             |
| Vote 04 - Summary Corporate Services                     | 89 619          | 89 530              | 80 640          | 4 580           | 65 087         | 69 171         | (4 084)         | -5,9%          | 80 640             |
| Vote 05 - Summary Social Services & Development Planning | 48 107          | 68 717              | 68 597          | 2 493           | 38 923         | 57 138         | (18 215)        | -31,9%         | 68 597             |
| Vote 06 - Summary Infrastructure Services                | 97 107          | 109 078             | 108 396         | 2 266           | 68 393         | 90 489         | (22 097)        | -24,4%         | 108 396            |
| Vote 07 - Summary Water Services                         | 243 714         | 191 021             | 237 473         | 15 007          | 207 729        | 185 986        | 21 743          | 11,7%          | 237 473            |
| Vote 15 - Other  | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Expenditure by Vote</b>                         | <b>575 782</b>  | <b>577 594</b>      | <b>625 189</b>  | <b>33 581</b>   | <b>462 925</b> | <b>506 954</b> | <b>(44 029)</b> | <b>-8,7%</b>   | <b>625 189</b>     |
| <b>Surplus/ (Deficit) for the year</b>                   | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> | <b>4 006</b>    | <b>2,1%</b>    | <b>234 607</b>     |

## Statement of financial Performance

This schedule provides information on the planned revenue and operational expenditures against the actual results for the period ending 30 April 2022.

DC43 Harry Gwala - Table C4 Consolidated Monthly Budget Statement - Financial Performance (revenue and expenditure) - M10 April

| Description   | 2020/21         | Budget Year 2021/22 |                 |                 |                |                |                 |                |                    |
|---|-----------------|---------------------|-----------------|-----------------|----------------|----------------|-----------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual  | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| <b>R thousands</b>  |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Revenue By Source</b>  |                 |                     |                 |                 |                |                |                 |                |                    |
| Property rates  | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Service charges - electricity revenue   |                 |                     |                 |                 |                |                |                 |                |                    |
| Service charges - water revenue   | 54 003          | 48 866              | 48 598          | 4 804           | 40 046         | 40 301         | (254)           | -1%            | 48 598             |
| Service charges - sanitation revenue  | 13 762          | 20 555              | 12 465          | 1 071           | 10 264         | 12 275         | (2 011)         | -16%           | 12 465             |
| Interest earned - external investments  | 3 011           | 5 682               | 4 504           | 622             | 4 000          | 4 029          | (29)            | -1%            | 4 504              |
| Interest earned - outstanding debtors   | 10 100          | 10 198              | 10 715          | 1 001           | 9 185          | 8 809          | 376             | 4%             | 10 715             |
| Dividends received  |                 |                     |                 |                 |                |                |                 |                |                    |
| Fines, penalties and forfeits   | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Licences and permits  |                 |                     |                 |                 |                |                |                 |                |                    |
| Transfers and subsidies   | 430 342         | 417 406             | 417 406         | -               | 404 663        | 347 838        | 56 825          | 16%            | 417 406            |
| Other revenue   | 778             | 549                 | 850             | 8               | 660            | 638            | 22              | 4%             | 850                |
| Gains   | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Revenue (excluding capital transfers and contributions)</b>                          | <b>511 997</b>  | <b>503 258</b>      | <b>494 538</b>  | <b>7 506</b>    | <b>468 819</b> | <b>413 889</b> | <b>54 929</b>   | <b>13%</b>     | <b>494 538</b>     |
| <b>Expenditure By Type</b>  |                 |                     |                 |                 |                |                |                 |                |                    |
| Employee related costs  | 217 969         | 237 156             | 243 395         | 18 912          | 192 309        | 201 375        | (9 066)         | -5%            | 243 395            |
| Remuneration of councillors   | 7 813           | 8 922               | 8 538           | 568             | 5 994          | 7 205          | (1 211)         | -17%           | 8 538              |
| Debt impairment   | 31 734          | 27 645              | 27 645          | -               | -              | 23 037         | (23 037)        | -100%          | 27 645             |
| Depreciation & asset impairment   | 79 359          | 87 410              | 88 415          | -               | 51 764         | 73 445         | (21 680)        | -30%           | 88 415             |
| Finance charges   | 995             | 1 328               | 415             | -               | -              | 559            | (559)           | -100%          | 415                |
| Bulk purchases - electricity  | -               | -                   | -               | -               | -              | -              | -               | -              | -                  |
| Inventory consumed  | 27 868          | 31 249              | 41 337          | 2 597           | 35 315         | 32 194         | 3 121           | 10%            | 41 337             |
| Contracted services   | 129 640         | 105 296             | 136 357         | 8 955           | 116 643        | 103 903        | 12 740          | 12%            | 136 357            |
| Transfers and subsidies   | 17 000          | 17 000              | 17 000          | -               | 10 600         | 14 167         | (3 567)         | -25%           | 17 000             |
| Other expenditure   | 56 907          | 61 589              | 62 088          | 2 549           | 50 299         | 51 070         | (771)           | -2%            | 62 088             |
| Losses  | 6 496           | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Total Expenditure</b>  | <b>575 782</b>  | <b>577 594</b>      | <b>625 189</b>  | <b>33 581</b>   | <b>462 925</b> | <b>506 954</b> | <b>(44 029)</b> | <b>-9%</b>     | <b>625 189</b>     |
| <b>Surplus/(Deficit)</b>  |                 |                     |                 |                 |                |                |                 |                |                    |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 302 857         | 298 258             | 365 258         | -               | 185 796        | 280 748        | (94 952)        | (0)            | 365 258            |
| Transfers and subsidies - capital (in-kind - all)   | 4 693           | -                   | -               | -               | -              | -              | -               | -              | -                  |
| <b>Surplus/(Deficit) after capital transfers &amp; contributions</b>                          | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> |                 |                | <b>234 607</b>     |
| Taxation  |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Surplus/(Deficit) after taxation</b>   | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> |                 |                | <b>234 607</b>     |
| Attributable to minorifies  |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Surplus/(Deficit) attributable to municipality</b>   | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> |                 |                | <b>234 607</b>     |
| Share of surplus/ (deficit) of associate  |                 |                     |                 |                 |                |                |                 |                |                    |
| <b>Surplus/ (Deficit) for the year</b>  | <b>243 766</b>  | <b>223 922</b>      | <b>234 607</b>  | <b>(26 074)</b> | <b>191 690</b> | <b>187 684</b> |                 |                | <b>234 607</b>     |

## Capital Expenditure

Table C5 below reports on the capital expenditures by departments (municipal vote) and also by standard classification. The bottom part of the schedule looks at the funding sources of the capital projects.

DC43 Harry Gwala - Table C5 Consolidated Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and

| Vote Description   | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |                |                    |
|--|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| <b>R thousands</b>   |                 |                     |                 |                |                |                |                 |                |                    |
| <b>Multi-Year expenditure appropriation</b>                  |                 |                     |                 |                |                |                |                 |                |                    |
| Vote 01 - Summary Council                                    | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Vote 02 - Summary Municipal Manager                          | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Vote 03 - Summary Budget And Treasury Office                 | -               | 500                 | 24              | -              | -              | 131            | (131)           | -100%          | 24                 |
| Vote 04 - Summary Corporate Services                         | 7 226           | 4 031               | 8 051           | -              | 5 846          | 5 771          | 75              | 1%             | 8 051              |
| Vote 05 - Summary Social Services & Development Planning     | 7 355           | 1 870               | 627             | -              | 47             | 812            | (765)           | -94%           | 627                |
| Vote 06 - Summary Infrastructure Services                    | 46 050          | 16 300              | 35 102          | 18 206         | 26 918         | 17 811         | 9 106           | 51%            | 35 102             |
| Vote 07 - Summary Water Services                             | 235 826         | 284 583             | 284 514         | 25 281         | 202 010        | 231 979        | (29 969)        | -13%           | 284 514            |
| Vote 15 - Other  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Total Capital Multi-year expenditure</b>                  | <b>296 457</b>  | <b>307 283</b>      | <b>328 318</b>  | <b>43 487</b>  | <b>234 820</b> | <b>256 505</b> | <b>(21 684)</b> | <b>-8%</b>     | <b>328 318</b>     |
| <b>Total Capital Expenditure</b>                             | <b>296 457</b>  | <b>307 283</b>      | <b>328 318</b>  | <b>43 487</b>  | <b>234 820</b> | <b>256 505</b> | <b>(21 684)</b> | <b>-8%</b>     | <b>328 318</b>     |
| <b>Capital Expenditure - Functional Classification</b>       |                 |                     |                 |                |                |                |                 |                |                    |
| <b>Governance and administration</b>                         | <b>7 226</b>    | <b>5 110</b>        | <b>8 655</b>    | <b>-</b>       | <b>5 846</b>   | <b>6 385</b>   | <b>(539)</b>    | <b>-8%</b>     | <b>8 655</b>       |
| Executive and council  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Finance and administration                                   | 7 226           | 5 110               | 8 655           | -              | 5 846          | 6 385          | (539)           | -8%            | 8 655              |
| Internal audit   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Community and public safety</b>                           | <b>7 355</b>    | <b>1 021</b>        | <b>47</b>       | <b>-</b>       | <b>47</b>      | <b>266</b>     | <b>(219)</b>    | <b>-82%</b>    | <b>47</b>          |
| Community and social services                                | 7 355           | 1 021               | 47              | -              | 47             | 266            | (219)           | -82%           | 47                 |
| Sport and recreation   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Public safety  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Housing  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Health   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Economic and environmental services</b>                   | <b>18 541</b>   | <b>1 270</b>        | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>296</b>     | <b>(296)</b>    | <b>-100%</b>   | <b>-</b>           |
| Planning and development                                     | 18 541          | 1 270               | -               | -              | -              | 296            | (296)           | -100%          | -                  |
| Road transport   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Environmental protection                                     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Trading services</b>                                      | <b>263 335</b>  | <b>299 883</b>      | <b>319 616</b>  | <b>43 487</b>  | <b>228 927</b> | <b>249 557</b> | <b>(20 629)</b> | <b>-8%</b>     | <b>319 616</b>     |
| Energy sources   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Water management   | 248 698         | 244 033             | 252 933         | 24 053         | 173 162        | 200 043        | (26 881)        | -13%           | 252 933            |
| Waste water management                                       | 14 637          | 55 850              | 66 683          | 19 434         | 55 765         | 49 513         | 6 252           | 13%            | 66 683             |
| Waste management   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Other</b>   | <b>-</b>        | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>        | <b>-</b>       | <b>-</b>           |
| <b>Total Capital Expenditure - Functional Classification</b> | <b>296 457</b>  | <b>307 283</b>      | <b>328 318</b>  | <b>43 487</b>  | <b>234 820</b> | <b>256 505</b> | <b>(21 684)</b> | <b>-8%</b>     | <b>328 318</b>     |
| <b>Funded by:</b>  |                 |                     |                 |                |                |                |                 |                |                    |
| National Government  | 249 289         | 298 258             | 288 050         | 43 383         | 222 260        | 229 438        | (7 178)         | -3%            | 288 050            |
| Provincial Government  | 18 739          | -                   | 29 565          | -              | 5 563          | 18 539         | (12 977)        | -70%           | 29 565             |
| District Municipality  | -               | -                   | -               | -              | 47             | 28             | 19              | 67%            | -                  |
| Transfers recognised - capital                               | 268 028         | 298 258             | 317 616         | 43 383         | 227 870        | 248 006        | (20 136)        | -8%            | 317 616            |
| Borrowing  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Internally generated funds                                   | 28 430          | 9 025               | 10 702          | 105            | 6 950          | 8 499          | (1 549)         | -18%           | 10 702             |
| <b>Total Capital Funding</b>                                 | <b>296 457</b>  | <b>307 283</b>      | <b>328 318</b>  | <b>43 487</b>  | <b>234 820</b> | <b>256 505</b> | <b>(21 684)</b> | <b>-8%</b>     | <b>328 318</b>     |

As alluded to above, the capital expenditure programme for the period ending 30 April 2022 was R 234, 8m which represents 86% of capital expenditure against year to date budget of R273, 5million. The capital expenditure programme has slightly decreased and thus the low expenditures reflected on National grant funding



The chart below presents a high level analysis of YTD capital expenditure budget against the YTD actual expenditure.

**Chart 1: 2021/2022 CAPEX**

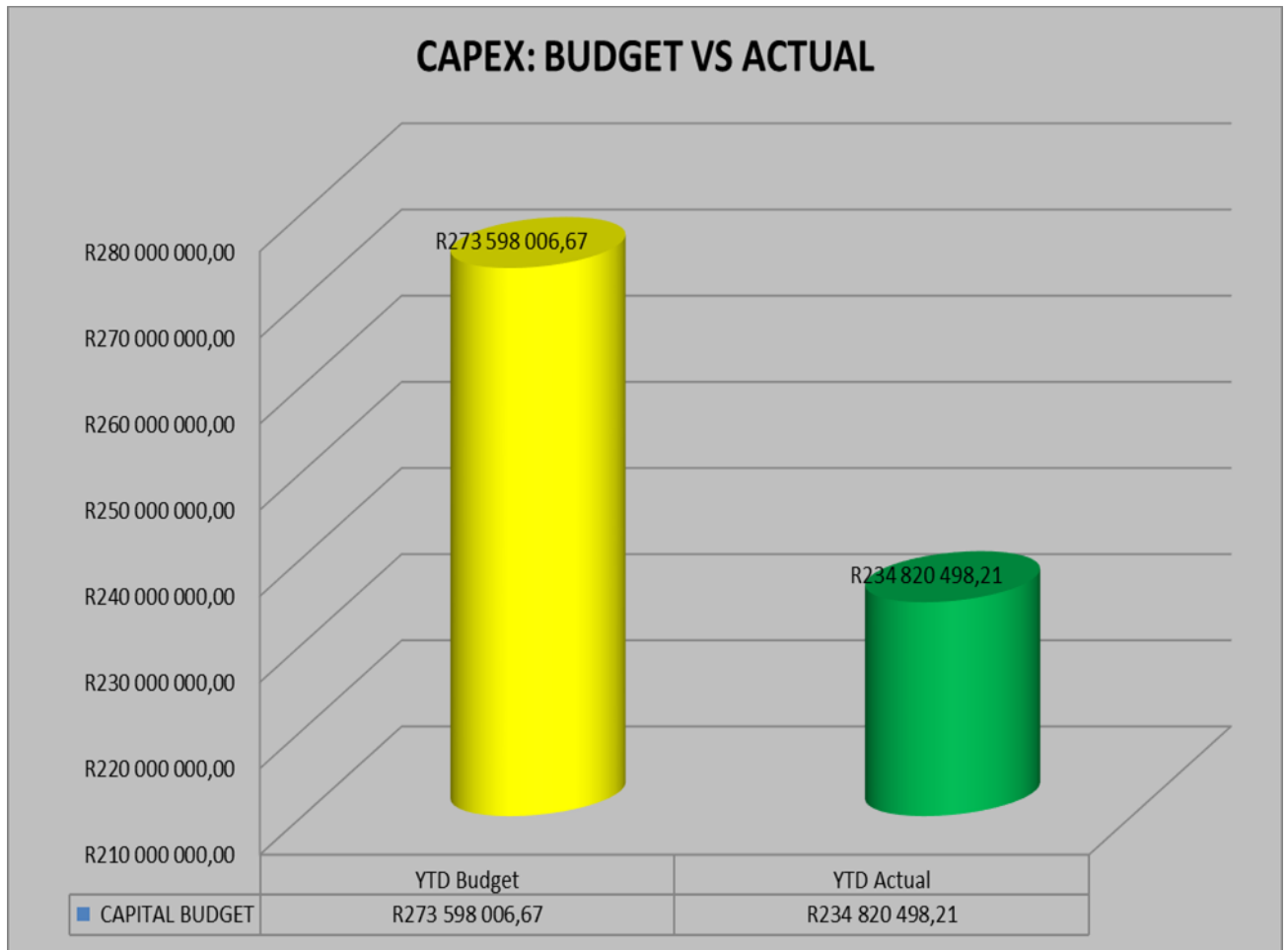


Table C6 displays the financial position of the municipality as at 30 April 2022.

DC43 Harry Gwala - Table C6 Consolidated Monthly Budget Statement - Financial Position - M10 April

| Description                              | 2020/21          | Budget Year 2021/22 |                  |                  |                    |
|--|------------------|---------------------|------------------|------------------|--------------------|
|  | Audited Outcome  | Original Budget     | Adjusted Budget  | YearTD actual    | Full Year Forecast |
| <b>R thousands</b>                       |                  |                     |                  |                  |                    |
| <b><u>ASSETS</u></b>                     |                  |                     |                  |                  |                    |
| <b>Current assets</b>                    |                  |                     |                  |                  |                    |
| Cash                                     | (617 181)        | 11 058              | 37 239           | 557 822          | 37 239             |
| Call investment deposits                 | 669 043          | 40 121              | 22 036           | (367 825)        | 22 036             |
| Consumer debtors                         | 29 191           | 30 951              | 28 157           | 44 325           | 28 157             |
| Other debtors                            | 22 709           | 25 222              | 18 092           | 41 693           | 18 092             |
| Current portion of long-term receivables | -                | -                   | -                | -                | -                  |
| Inventory                                | 408              | 267                 | 408              | 408              | 408                |
| <b>Total current assets</b>              | <b>104 170</b>   | <b>107 619</b>      | <b>105 932</b>   | <b>276 422</b>   | <b>105 932</b>     |
| <b>Non current assets</b>                |                  |                     |                  |                  |                    |
| Long-term receivables                    | -                | -                   | -                | -                | -                  |
| Investments                              | -                | -                   | -                | -                | -                  |
| Investment property                      | -                | -                   | -                | -                | -                  |
| Investments in Associate                 | -                | -                   | -                | -                | -                  |
| Property, plant and equipment            | 2 551 394        | 2 843 962           | 2 791 052        | 2 734 584        | 2 791 052          |
| Biological                               | -                | -                   | -                | -                | -                  |
| Intangible                               | 578              | 1 946               | 822              | 444              | 822                |
| Other non-current assets                 | 0                | 0                   | 0                | 0                | 0                  |
| <b>Total non current assets</b>          | <b>2 551 972</b> | <b>2 845 908</b>    | <b>2 791 875</b> | <b>2 735 028</b> | <b>2 791 875</b>   |
| <b>TOTAL ASSETS</b>                      | <b>2 656 142</b> | <b>2 953 527</b>    | <b>2 897 806</b> | <b>3 011 450</b> | <b>2 897 806</b>   |
| <b><u>LIABILITIES</u></b>                |                  |                     |                  |                  |                    |
| <b>Current liabilities</b>               |                  |                     |                  |                  |                    |
| Bank overdraft                           | -                | -                   | -                | -                | -                  |
| Borrowing                                | -                | -                   | 13 194           | 12 794           | 13 194             |
| Consumer deposits                        | 2 034            | 2 155               | 2 182            | 2 162            | 2 182              |
| Trade and other payables                 | 84 175           | 91 336              | 71 738           | 251 355          | 71 738             |
| Provisions                               | 15 088           | 13 294              | 15 088           | 15 088           | 15 088             |
| <b>Total current liabilities</b>         | <b>101 296</b>   | <b>106 785</b>      | <b>102 202</b>   | <b>281 397</b>   | <b>102 202</b>     |
| <b>Non current liabilities</b>           |                  |                     |                  |                  |                    |
| Borrowing                                | 18 098           | 1 878               | 1 796            | 1 842            | 1 796              |
| Provisions                               | 24 548           | 23 797              | 26 960           | 24 548           | 26 960             |
| <b>Total non current liabilities</b>     | <b>42 646</b>    | <b>25 676</b>       | <b>28 756</b>    | <b>26 390</b>    | <b>28 756</b>      |
| <b>TOTAL LIABILITIES</b>                 | <b>143 941</b>   | <b>132 461</b>      | <b>130 958</b>   | <b>307 787</b>   | <b>130 958</b>     |
| <b>NET ASSETS</b>                        | <b>2 512 201</b> | <b>2 821 066</b>    | <b>2 766 848</b> | <b>2 703 663</b> | <b>2 766 848</b>   |
| <b><u>COMMUNITY WEALTH/EQUITY</u></b>    |                  |                     |                  |                  |                    |
| Accumulated Surplus/(Deficit)            | 2 512 201        | 2 821 066           | 2 766 848        | 2 703 663        | 2 766 848          |
| Reserves                                 | -                | -                   | -                | -                | -                  |
| <b>TOTAL COMMUNITY WEALTH/EQUITY</b>     | <b>2 512 201</b> | <b>2 821 066</b>    | <b>2 766 848</b> | <b>2 703 663</b> | <b>2 766 848</b>   |

Table C7 below display the Cash Flow Statement for the period ending 30 April 2022.

DC43 Harry Gwala - Table C7 Consolidated Monthly Budget Statement - Cash Flow - M10 April

| Description                                      | 2020/21          | Budget Year 2021/22 |                  |                 |                  |                  |                  |                |                    |
|--|------------------|---------------------|------------------|-----------------|------------------|------------------|------------------|----------------|--------------------|
|  | Audited Outcome  | Original Budget     | Adjusted Budget  | Monthly actual  | YearTD actual    | YearTD budget    | YTD variance     | YTD variance % | Full Year Forecast |
| <b>R thousands</b>                               |                  |                     |                  |                 |                  |                  |                  |                |                    |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>       |                  |                     |                  |                 |                  |                  |                  |                |                    |
| <b>Receipts</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Property rates                                   | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| Service charges                                  | 130 189          | 53 905              | 58 404           | 7 708           | 59 415           | 48 670           | 10 745           | 22%            | 58 404             |
| Other revenue                                    | 307              | 549                 | 549              | 8               | 418              | 458              | (40)             | -9%            | 549                |
| Transfers and Subsidies - Operational            | 234 993          | 389 288             | 400 406          | 34 532          | 591 969          | 333 672          | 258 297          | 77%            | 400 406            |
| Transfers and Subsidies - Capital                | 215 028          | 303 580             | 365 258          | -               | 369 601          | 304 382          | 65 219           | 21%            | 365 258            |
| Interest   | 3 011            | 5 592               | 4 414            | 622             | 4 000            | 3 679            | 321              | 9%             | 4 414              |
| Dividends  | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| <b>Payments</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Suppliers and employees                          | (683 128)        | (445 807)           | (577 069)        | (87 809)        | (714 376)        | (480 891)        | 233 485          | -49%           | (577 069)          |
| Finance charges                                  | -                | (1 328)             | (415)            | -               | -                | (346)            | (346)            | 100%           | (415)              |
| Transfers and Grants                             | (352)            | -                   | (135)            | -               | -                | (112)            | (112)            | 100%           | (135)              |
| <b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b> | <b>(99 951)</b>  | <b>305 780</b>      | <b>251 413</b>   | <b>(44 939)</b> | <b>311 026</b>   | <b>209 511</b>   | <b>(101 515)</b> | <b>-48%</b>    | <b>251 413</b>     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>      |                  |                     |                  |                 |                  |                  |                  |                |                    |
| <b>Receipts</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Proceeds on disposal of PPE                      | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| Decrease (increase) in non-current receivables   | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| Decrease (increase) in non-current investments   | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| <b>Payments</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Capital assets                                   | (251 425)        | (307 283)           | (328 318)        | (43 487)        | (234 820)        | (273 598)        | (38 778)         | 14%            | (328 318)          |
| <b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b> | <b>(251 425)</b> | <b>(307 283)</b>    | <b>(328 318)</b> | <b>(43 487)</b> | <b>(234 820)</b> | <b>(273 598)</b> | <b>(38 778)</b>  | <b>14%</b>     | <b>(328 318)</b>   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>      |                  |                     |                  |                 |                  |                  |                  |                |                    |
| <b>Receipts</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Short term loans                                 |                  |                     |                  |                 |                  |                  | -                |                |                    |
| Borrowing long term/refinancing                  |                  |                     |                  |                 |                  |                  | -                |                |                    |
| Increase (decrease) in consumer deposits         | (170)            | (122)               | (27)             | 18              | (2 162)          | (1 812)          | (349)            | 19%            | (2 182)            |
| <b>Payments</b>                                  |                  |                     |                  |                 |                  |                  |                  |                |                    |
| Repayment of borrowing                           | -                | -                   | -                | -               | -                | -                | -                | -              | -                  |
| <b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b> | <b>(170)</b>     | <b>(122)</b>        | <b>(27)</b>      | <b>18</b>       | <b>(2 162)</b>   | <b>(1 812)</b>   | <b>349</b>       | <b>-19%</b>    | <b>(2 182)</b>     |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>      | <b>(351 547)</b> | <b>(1 625)</b>      | <b>(76 932)</b>  | <b>(88 408)</b> | <b>74 044</b>    | <b>(65 899)</b>  |                  |                | <b>(79 087)</b>    |
| Cash/cash equivalents at beginning:              | 40 671           | 48 731              | 51 862           | -               | 51 862           |                  |                  |                |                    |
| Cash/cash equivalents at month/year end:         | (310 876)        | 47 106              | (25 069)         |                 | 125 907          | (65 899)         |                  |                | (79 087)           |

## PART 2 – SUPPORTING DOCUMENTATION

### 2.1 Debtors Analysis

The table presented below summarises the Debtors Age Analysis as at 30 April 2022.

**Table 2.1.1: Debtors Age Analysis by Income Source**

DC43 Harry Gwala - Supporting Table SC3 Monthly Budget Statement - aged debtors - M10 April

| Description   | Budget Year 2021/22 |              |              |              |              |              |               |                |                |                    |
|---|---------------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|----------------|--------------------|
|   | 0-30 Days           | 31-60 Days   | 61-90 Days   | 91-120 Days  | 121-150 Dys  | 151-180 Dys  | 181 Dys-1 Yr  | Over 1Yr       | Total          | Total over 90 days |
| <b>R thousands</b>  |                     |              |              |              |              |              |               |                |                |                    |
| <b>Debtors Age Analysis By Income Source</b>                            |                     |              |              |              |              |              |               |                |                |                    |
| Trade and Other Receivables from Exchange Transactions - Water          | 5 503               | 3 424        | 2 787        | 2 576        | 1 622        | 1 797        | 12 650        | 123 110        | 153 468        | 141 755            |
| Trade and Other Receivables from Exchange Transactions - Electricity    |                     |              |              |              |              |              |               |                | -              | -                  |
| Receivables from Non-exchange Transactions - Property Rates             |                     |              |              |              |              |              |               |                | -              | -                  |
| Receivables from Exchange Transactions - Waste Water Management         | 2 150               | 1 338        | 1 089        | 1 006        | 634          | 702          | 4 942         | 48 094         | 59 954         | 55 378             |
| Receivables from Exchange Transactions - Waste Management               |                     |              |              |              |              |              |               |                | -              | -                  |
| Receivables from Exchange Transactions - Property Rental Debtors        |                     |              |              |              |              |              |               |                | -              | -                  |
| Interest on Arrear Debtor Accounts                                      | 920                 | 572          | 466          | 431          | 271          | 300          | 2 114         | 20 579         | 25 653         | 23 695             |
| Recoverable unauthorised, irregular, fruitless and wasteful expenditure |                     |              |              |              |              |              |               |                | -              | -                  |
| Other   |                     |              |              |              |              |              |               |                | -              | -                  |
| <b>Total By Income Source</b>   | <b>8 573</b>        | <b>5 334</b> | <b>4 341</b> | <b>4 014</b> | <b>2 527</b> | <b>2 800</b> | <b>19 706</b> | <b>191 782</b> | <b>239 075</b> | <b>220 828</b>     |
| <b>2020/21 - totals only</b>  |                     |              |              |              |              |              |               |                | -              | -                  |
| <b>Debtors Age Analysis By Customer Group</b>                           |                     |              |              |              |              |              |               |                |                |                    |
| Organs of State   | 3 983               | 2 624        | 1 040        | 595          | 211          | 206          | 1 220         | 4 002          | 13 881         | 6 234              |
| Commercial  | 1 193               | 406          | 464          | 756          | 258          | 417          | 2 001         | 8 900          | 14 395         | 12 332             |
| Households  | 3 397               | 2 304        | 2 837        | 2 662        | 2 058        | 2 176        | 16 485        | 178 881        | 210 799        | 202 261            |
| Other   |                     |              |              |              |              |              |               |                | -              | -                  |
| <b>Total By Customer Group</b>  | <b>8 573</b>        | <b>5 334</b> | <b>4 341</b> | <b>4 014</b> | <b>2 527</b> | <b>2 800</b> | <b>19 706</b> | <b>191 782</b> | <b>239 075</b> | <b>220 828</b>     |

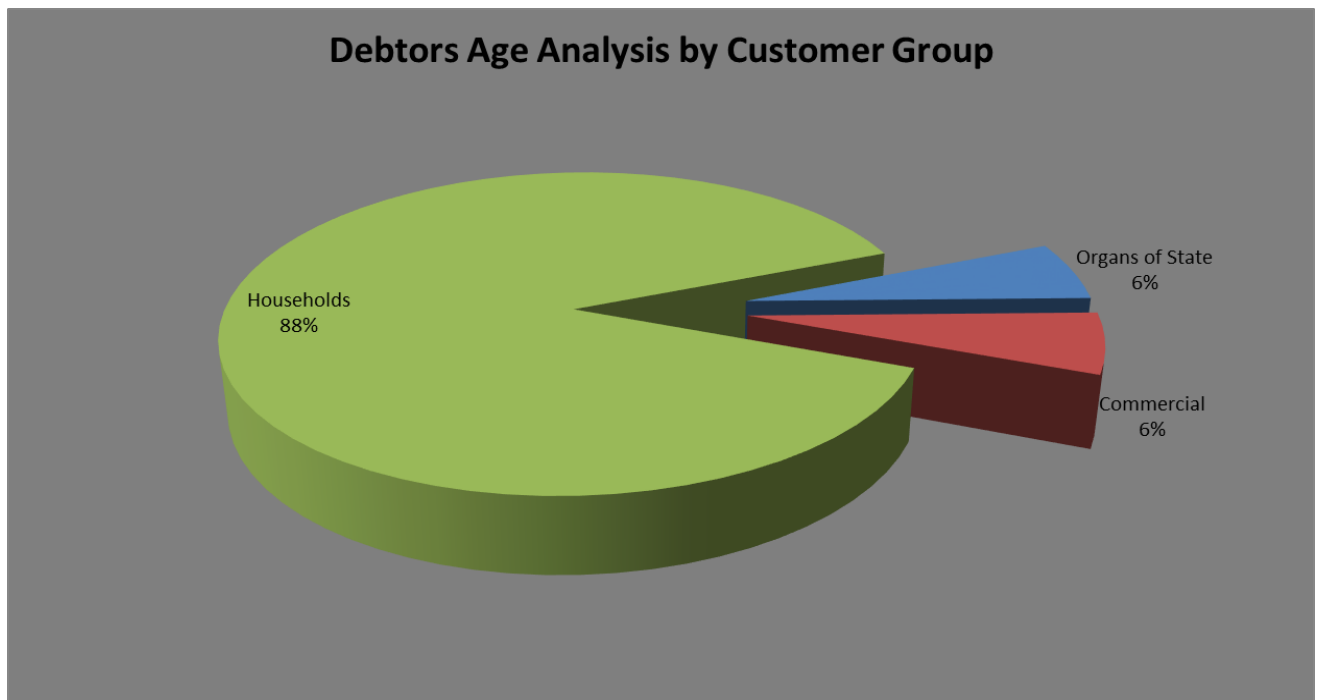
**Table 2.1.2: Debtors Age Analysis by Customer Category**

Table 2.1.2 analyses consumer debt by Category. A further analysis in the form of a chart is provided below.

## Chart 2: Debtors Age Analysis by Customer Group

The information presented in the chart above ranks total debt owed to the municipality from highest to the lowest,

- ✓ Households: 88%
- ✓ Government 6%
- ✓ Business 6%



The chart above shows that for each debtor type the amounts owing to the municipality have increased on a year to year basis.

The table that follows below unpacks the revenue receipts per Local Municipality in the District

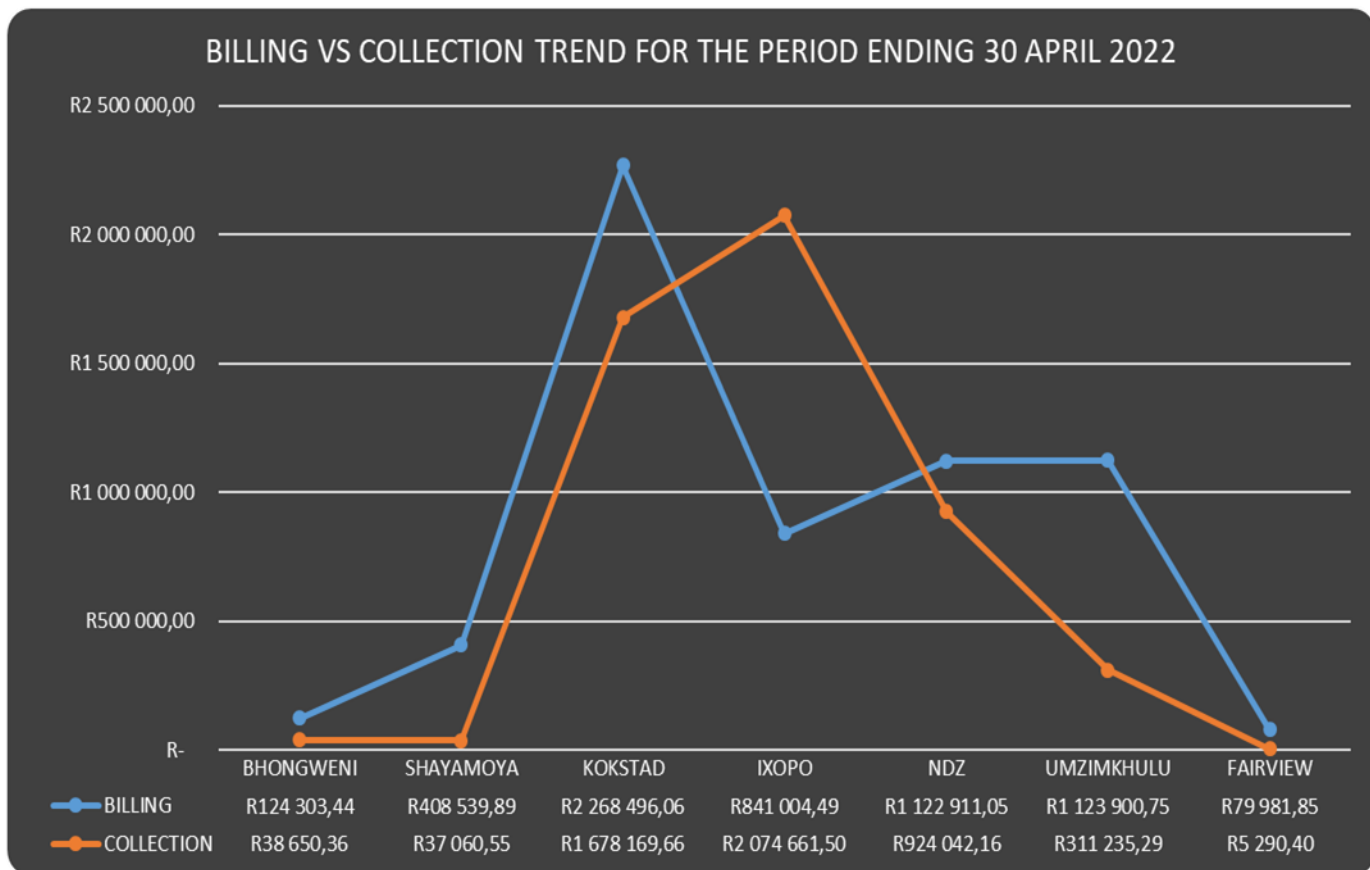
## REVENUE RECEIPTS

### Revenue receipts per Area

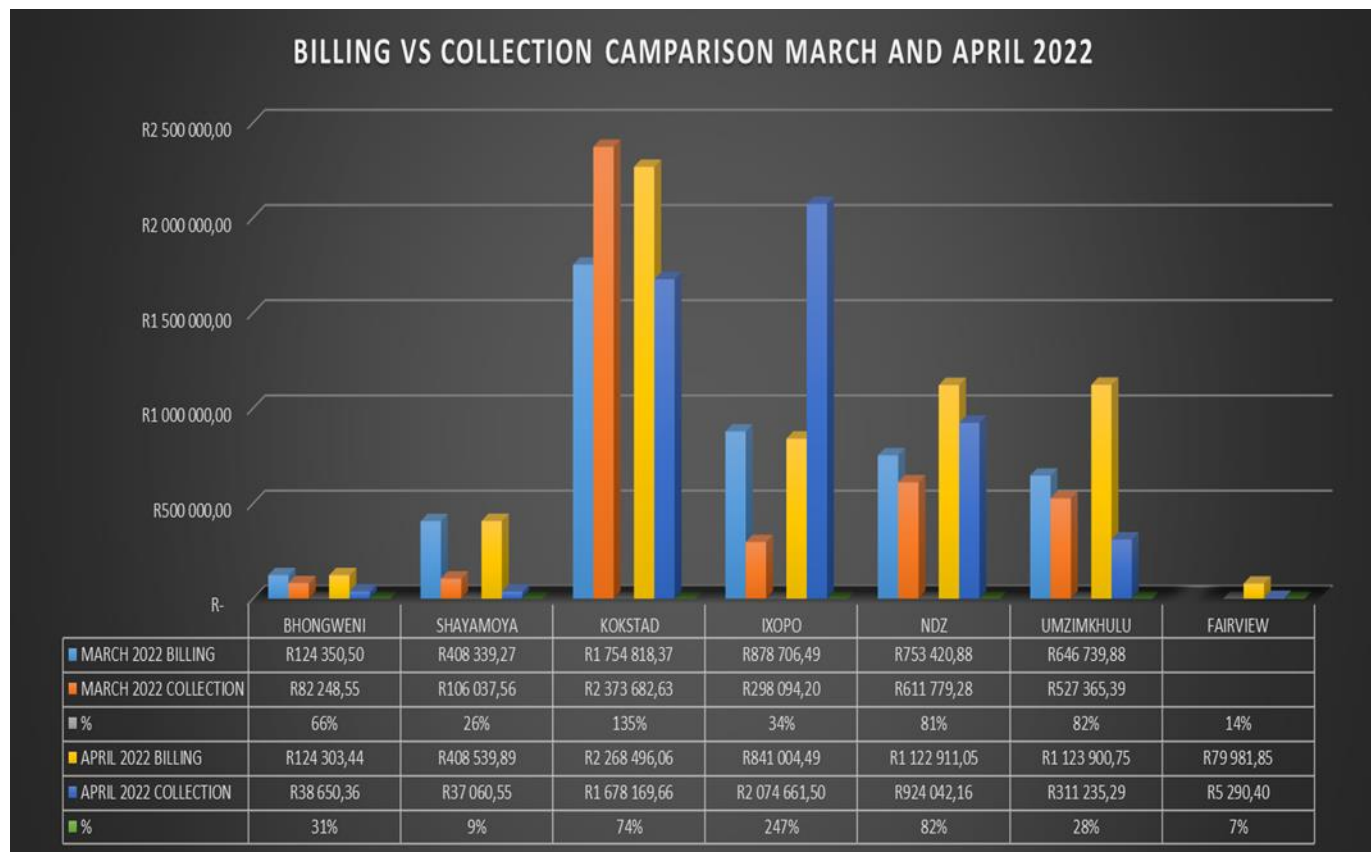
| AREA                               | AMOUNT                |            |            |
|------------------------------------|-----------------------|------------|------------|
|                                    |                       | APRIL 2022 | MARCH 2022 |
| Unallocated receipts               | R 70 627,81           | 1%         | 1%         |
| Bhongweni                          | R 32 650,36           | 1%         | 2%         |
| Shayamoya                          | R 37 060,55           | 1%         | 3%         |
| Kokstad                            | R 1 678 169,66        | 33%        | 58%        |
| Ixopo                              | R 2 074 661,50        | 40%        | 7%         |
| NDZ                                | R 924 042,16          | 7%         | 15%        |
| Umzimkhulu                         | R 311 235,29          | 6%         | 13%        |
| Fairview                           | R 5 290,40            | 0%         | 0%         |
| <b>TOTAL RECEIPTS<br/>INCL VAT</b> | <b>R 5 139 737,73</b> | 100%       | 100%       |

The table above presents the cash receipts from consumer debtors in each of the detailed areas as well as the comparative receipts for the previous month. The total cash collected for April 2022 is R5, 1million. The total billing for the period ending 30 April 2022 is R 54, 4million against the collection of R 45, 5million representing 84 percent.

The chart that follows below shows the comparison between billing and collection trend for the period ending 30 April 2022.



The chart that follows below shows the comparison between billing, collection together with percentage for the period ending 30 April 2022



### Debtors’ age analysis per service

The municipality’s total outstanding debtors amounted to R 239 075 249 as at 30 April 2022 compared with the R 238 557 515 as at 31 March 2022. Current debt represent 2% of the total outstanding debt compared with the 2% of March 2022; 30 days and older debt 2% compared with the 2% for March 2022; 60 days and older debt 2% compared with the 2% of March 2022; and 90 days 2% compared with the 1% of March



2022; 120 days to History and older 91% compared with the 92% for March 2022.

Current debt decreased with R 517,734 to R 239,075,249 compared with the R 238,557,515 as at 31 March 2022; 30 days + debt increased with R 173,487; 60 days + decreased with R 1,212,987; 90 days + debt increased with R 726,180 and 120 + days and older debt as at 31 March 2022 has decreased with R 2,003,182 to R 216,814,329 compared with the R 218,817,511 as at 31 March 2022.

### **Debtors age analysis per debtor type**

Business debtors owes the municipality R 14,130,741 (6%); Municipal debtors R 706,116 (0%); domestic debtors R 196,065,233 (82%); Government accounts R 12,868,633 (5%); Indigent debtors R 9,523,559 (4%) and other debtors R 5,780,967 (2%) of the total outstanding debt of R 239,075,249.

## **2.2 Creditors Analysis**

Table SC presents the aged creditors as at 30 April 2022

DC43 Harry Gwala - Supporting Table SC4 Monthly Budget Statement - aged creditors - M10 April

| Description                                    | Budget Year 2021/22 |              |              |               |                |                |                   |             |            |
|--|---------------------|--------------|--------------|---------------|----------------|----------------|-------------------|-------------|------------|
|  | 0 - 30 Days         | 31 - 60 Days | 61 - 90 Days | 91 - 120 Days | 121 - 150 Days | 151 - 180 Days | 181 Days - 1 Year | Over 1 Year | Total      |
| <b>R thousands</b>                             |                     |              |              |               |                |                |                   |             |            |
| <b>Creditors Age Analysis By Customer Type</b> |                     |              |              |               |                |                |                   |             |            |
| Bulk Electricity                               |                     |              |              |               |                |                |                   |             | -          |
| Bulk Water                                     |                     |              |              |               |                |                |                   |             | -          |
| PAYE deductions                                |                     |              |              |               |                |                |                   |             | -          |
| VAT (output less input)                        |                     |              |              |               |                |                |                   |             | -          |
| Pensions / Retirement deductions               |                     |              |              |               |                |                |                   |             | -          |
| Loan repayments                                |                     |              |              |               |                |                |                   |             | -          |
| Trade Creditors                                | 270                 | 26           | -            | 103           | -              | -              | -                 | -           | 399        |
| Auditor General                                |                     |              |              |               |                |                |                   |             | -          |
| Other  |                     |              |              |               |                |                |                   |             | -          |
| <b>Total By Customer Type</b>                  | <b>270</b>          | <b>26</b>    | <b>-</b>     | <b>103</b>    | <b>-</b>       | <b>-</b>       | <b>-</b>          | <b>-</b>    | <b>399</b> |

## 2.3 Investment Portfolio Analysis

The following information presents the cash at bank and short term investments balances broken down per investment type as at 30 April 2022.

### Cash and Bank Balances (Investments)

CASH AND CASH EQUIVALENT AS AT 30 APRIL 2022

| Investments by maturity<br>Name of institution & investment ID | Period of Investment<br>Yrs/Months | Type of Investment | Opening balance | Interest to be realised | Partial / Premature Withdrawal (4) | Investment Top Up | Closing Balance |
|--|------------------------------------|--------------------|-----------------|-------------------------|------------------------------------|-------------------|-----------------|
| <b>Municipality</b>  |                                    |                    |                 |                         |                                    |                   |                 |
| FIRST NATIONAL BANK  | 12                                 | CALL ACCOUNT       | 67 363          | 90                      | (19 529)                           | -                 | 47 924          |
| FIRST NATIONAL BANK  | 12                                 | CALL ACCOUNT       | 72 589          | 145                     | (37 042)                           | 8 000             | 43 692          |
| FIRST NATIONAL BANK  | 12                                 | ADMIN CALL         | 22 246          | 33                      | (11 033)                           | -                 | 11 246          |
| INVESTEC   | 12                                 | FIXED DEPOSIT      | 1 577           | 5                       | -                                  | -                 | 1 582           |
| FIRST NATIONAL BANK  | 12                                 | FIXED DEPOSIT      | 36 397          | 144                     | (25 074)                           | 25 000            | 36 468          |
| FIRST NATIONAL BANK  | 12                                 | CALL ACCOUNT       | 4 315           | 9                       | -                                  | -                 | 4 324           |
| FIRST NATIONAL BANK  | 12                                 | CALL ACCOUNT       | 28 974          | 64                      | (588)                              | -                 | 28 450          |
| FIRST NATIONAL BANK  | 12                                 | CALL ACCOUNT       | 2               | -                       | -                                  | -                 | 2               |
| FIRST NATIONAL BANK  | 12                                 | FIXED DEPOSIT      | 214             | 0                       | -                                  | -                 | 214             |
| NEDBANK  |                                    | FIXED DEPOSIT      | 21 504          |                         | -                                  | -                 | 21 504          |
| FIRST NATIONAL BANK  |                                    | ENT ACCOUNT        | 41 237          | -                       | (39 811)                           | -                 | 1 426           |
| <b>Municipality sub-total</b>                                  |                                    |                    | <b>296 417</b>  |                         | <b>(93 265)</b>                    | <b>33 000</b>     | <b>196 832</b>  |
| <b>TOTAL INVESTMENTS AND INTEREST</b>                          |                                    |                    | <b>296 417</b>  |                         | <b>(93 265)</b>                    | <b>33 000</b>     | <b>196 832</b>  |

## 2.4 Allocation and Grant receipts and Expenditure

Table SC 6 displays information relating to grant receipts.

DC43 Harry Gwala - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M10 April

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |                |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| <b>R thousands</b>                                  |                 |                     |                 |                |                |                |                 |                |                    |
| <b>RECEIPTS:</b>                                    |                 |                     |                 |                |                |                |                 |                |                    |
| <b>Operating Transfers and Grants</b>               |                 |                     |                 |                |                |                |                 |                |                    |
| <b>National Government:</b>                         | 429 587         | 400 406             | 400 406         | -              | 404 663        | 333 672        | 70 992          | 21,3%          | 400 406            |
| Energy Efficiency and Demand Side Management Grant  | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Equitable Share                                     | 417 623         | 387 013             | 387 013         | -              | 387 013        | 322 511        | 64 502          | 20,0%          | 387 013            |
| Expanded Public Works Programme Integrated Grant    | 5 195           | 4 596               | 4 596           | -              | 4 596          | 3 830          | 766             | 20,0%          | 4 596              |
| Integrated National Electrification Programme Grant | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Local Government Financial Management Grant         | 1 000           | 1 200               | 1 200           | -              | 586            | 1 000          | (414)           | -41,4%         | 1 200              |
| Municipal Disaster Relief Grant                     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Municipal Infrastructure Grant                      | 3 524           | 5 322               | 5 322           | -              | 11 468         | 4 435          | 7 033           | 158,6%         | 5 322              |
| Rural Road Asset Management Systems Grant           | 2 245           | 2 275               | 2 275           | -              | 1 000          | 1 896          | (896)           | -47,3%         | 2 275              |
| Water Services Infrastructure Grant                 | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Other transfers and grants [insert description]     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Provincial Government:</b>                       | 352             | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Capacity Building and Other Grants                  | 352             | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Other   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Rural Development Grant                             | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Other transfers and grants [insert description]     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>District Municipality:</b>                       | -               | 17 000              | 17 000          | -              | -              | 14 167         | (14 167)        | -100,0%        | 17 000             |
| Specify (Add grant description)                     | -               | 17 000              | 17 000          | -              | -              | 14 167         | (14 167)        | -100,0%        | 17 000             |
| <b>Other grant providers:</b>                       | 404             | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Chemical Industry Seta                              | 404             | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Parent Municipality                                 | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Unspecified   | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Total Operating Transfers and Grants</b>         | <b>430 342</b>  | <b>417 406</b>      | <b>417 406</b>  | <b>-</b>       | <b>404 663</b> | <b>347 838</b> | <b>56 825</b>   | <b>16,3%</b>   | <b>417 406</b>     |
| <b>Capital Transfers and Grants</b>                 |                 |                     |                 |                |                |                |                 |                |                    |
| <b>National Government:</b>                         | 287 857         | 298 258             | 331 258         | -              | 179 866        | 259 548        | (79 682)        | -30,7%         | 331 258            |
| Equitable Share                                     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Integrated National Electrification Programme Grant | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Municipal Infrastructure Grant                      | 205 476         | 207 558             | 215 558         | -              | 129 048        | 175 632        | (46 584)        | -26,5%         | 215 558            |
| Neighbourhood Development Partnership Grant         | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Regional Bulk Infrastructure Grant                  | 22 381          | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Rural Road Asset Management Systems Grant           | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Water Services Infrastructure Grant                 | 60 000          | 90 700              | 115 700         | -              | 50 818         | 83 917         | (33 098)        | -39,4%         | 115 700            |
| <b>Provincial Government:</b>                       | 19 693          | -                   | 34 000          | -              | 5 930          | 21 200         | (15 270)        | -72,0%         | 34 000             |
| Infrastructure Grant                                | 19 693          | -                   | 34 000          | -              | 5 930          | 21 200         | (15 270)        | -72,0%         | 34 000             |
| <b>District Municipality:</b>                       | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Specify (Add grant description)                     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Other grant providers:</b>                       | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| [insert description]                                | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Total Capital Transfers and Grants</b>           | <b>307 550</b>  | <b>298 258</b>      | <b>365 258</b>  | <b>-</b>       | <b>185 796</b> | <b>280 748</b> | <b>(94 952)</b> | <b>-33,8%</b>  | <b>365 258</b>     |
| <b>TOTAL RECEIPTS OF TRANSFERS &amp; GRANTS</b>     | <b>737 892</b>  | <b>715 664</b>      | <b>782 664</b>  | <b>-</b>       | <b>590 459</b> | <b>628 587</b> | <b>(38 127)</b> | <b>-6,1%</b>   | <b>782 664</b>     |

It is clear from the chart above that the bulk of the grants received by the municipality are from the National Treasury.

Table SC7 track the expenditure on Conditional grant funding.

DC43 Harry Gwala - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M10 April

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |                |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| R thousands   |                 |                     |                 |                |                |                |                 |                |                    |
| <b>EXPENDITURE</b>  |                 |                     |                 |                |                |                |                 |                |                    |
| <b>Operating expenditure of Transfers and Grants</b>        |                 |                     |                 |                |                |                |                 |                |                    |
| National Government:  | 487 163         | 507 017             | 550 445         | 30 652         | 412 367        | 445 548        | (33 181)        | -7,4%          | 550 445            |
| Energy Efficiency and Demand Side Management Grant          | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Equitable Share   | 478 059         | 492 327             | 535 331         | 29 683         | 404 833        | 433 338        | (28 505)        | -6,6%          | 535 331            |
| Expanded Public Works Programme Integrated Grant            | 5 467           | 5 976               | 6 613           | 570            | 5 556          | 5 054          | 502             | 9,9%           | 6 613              |
| Local Government Financial Management Grant                 | 836             | 1 117               | 1 200           | 51             | 760            | 1 003          | (243)           | -24,2%         | 1 200              |
| Municipal Disaster Relief Grant                             | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Municipal Infrastructure Grant                              | 849             | 5 322               | 5 322           | -              | -              | 4 435          | (4 435)         | -100,0%        | 5 322              |
| Rural Road Asset Management Systems Grant                   | 1 952           | 2 275               | 1 978           | 348            | 1 217          | 1 718          | (500)           | -29,1%         | 1 978              |
| Water Services Infrastructure Grant                         | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Provincial Government:                                      | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Capacity Building and Other Grants                          | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Development Planning and Shared Services                    | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Rural Development Grant                                     | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| District Municipality:                                      | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Specify (Add grant description)                             | -               | 16 510              | 16 032          | -              | -              | 13 472         | (13 472)        | -100,0%        | 16 032             |
| Other grant providers:                                      | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Chemical Industry Seta                                      | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Total operating expenditure of Transfers and Grants:</b> | <b>487 163</b>  | <b>507 017</b>      | <b>550 445</b>  | <b>30 652</b>  | <b>412 367</b> | <b>445 548</b> | <b>(33 181)</b> | <b>-7,4%</b>   | <b>550 445</b>     |
| <b>Capital expenditure of Transfers and Grants</b>          |                 |                     |                 |                |                |                |                 |                |                    |
| National Government:  | 249 289         | 298 258             | 288 050         | 43 383         | 222 260        | 229 438        | (7 178)         | -3,1%          | 288 050            |
| Local Government Financial Management Grant                 | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Municipal Infrastructure Grant                              | 178 208         | 207 558             | 187 442         | 17 558         | 146 569        | 153 707        | (7 138)         | -4,6%          | 187 442            |
| Regional Bulk Infrastructure Grant                          | 19 682          | -                   | -               | -              | -              | -              | -               | -              | -                  |
| Water Services Infrastructure Grant                         | 51 399          | 90 700              | 100 609         | 25 824         | 75 691         | 75 731         | (40)            | -0,1%          | 100 609            |
| Provincial Government:                                      | 18 739          | -                   | 29 565          | -              | 5 563          | 18 539         | (12 977)        | -70,0%         | 29 565             |
| Infrastructure Grant  | 18 739          | -                   | 29 565          | -              | 5 563          | 18 539         | (12 977)        | -70,0%         | 29 565             |
| District Municipality:                                      | -               | -                   | -               | -              | 47             | 28             | 19              | 66,7%          | -                  |
| Specify (Add grant description)                             | -               | -                   | -               | -              | 47             | 28             | 19              | 66,7%          | -                  |
| Other grant providers:                                      | -               | -                   | -               | -              | -              | -              | -               | -              | -                  |
| <b>Total capital expenditure of Transfers and Grants</b>    | <b>268 028</b>  | <b>298 258</b>      | <b>317 616</b>  | <b>43 383</b>  | <b>227 870</b> | <b>248 006</b> | <b>(20 136)</b> | <b>-8,1%</b>   | <b>317 616</b>     |
| <b>TOTAL EXPENDITURE OF TRANSFERS AND GRANTS</b>            | <b>755 191</b>  | <b>805 275</b>      | <b>868 060</b>  | <b>74 035</b>  | <b>640 237</b> | <b>693 554</b> | <b>(53 316)</b> | <b>-7,7%</b>   | <b>868 060</b>     |

## 2.5 Councillor and Staff Benefits

Table SC8 presents the expenditure of councillor and staff benefits at 30 April 2022.

DC43 Harry Gwala - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M10 April

| Summary of Employee and Councillor remuneration             | 2020/21         | Budget Year 2021/22 |                 |                |                |                |                 |                |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance    | YTD variance % | Full Year Forecast |
| R thousands   | A               | B                   | C               |                |                |                |                 |                | D                  |
| <b>Councillors (Political Office Bearers plus Other)</b>    |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | 5 324           | 6 027               | 5 094           | 316            | 3 805          | 4 463          | (658)           | -15%           | 5 094              |
| Pension and UIF Contributions                               | 498             | 698                 | 725             | 42             | 383            | 598            | (215)           | -36%           | 725                |
| Medical Aid Contributions                                   | 57              | 61                  | 61              | 14             | 57             | 51             | 6               | 11%            | 61                 |
| Cellphone Allowance   | 663             | 875                 | 935             | 41             | 434            | 765            | (331)           | -43%           | 935                |
| Other benefits and allowances                               | 1 271           | 1 262               | 1 723           | 156            | 1 315          | 1 328          | (13)            | -1%            | 1 723              |
| <b>Sub Total - Councillors</b>                              | <b>7 813</b>    | <b>8 922</b>        | <b>8 538</b>    | <b>568</b>     | <b>5 994</b>   | <b>7 205</b>   | <b>(1 211)</b>  | <b>-17%</b>    | <b>8 538</b>       |
| % increase  |                 | 14,2%               | 9,3%            |                |                |                |                 |                | 9,3%               |
| <b>Senior Managers of the Municipality</b>                  |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | 4 029           | 4 281               | 4 028           | 336            | 3 356          | 3 416          | (59)            | -2%            | 4 028              |
| Pension and UIF Contributions                               | 11              | 11                  | 13              | 1              | 11             | 10             | 0               | 2%             | 13                 |
| Medical Aid Contributions                                   | 171             | 182                 | 173             | 15             | 145            | 146            | (1)             | -1%            | 173                |
| Performance Bonus   | 106             | 56                  | 95              | -              | 106            | 70             | 36              | 51%            | 95                 |
| Motor Vehicle Allowance                                     | 1 052           | 1 153               | 1 052           | 88             | 877            | 900            | (23)            | -3%            | 1 052              |
| Cellphone Allowance   | 117             | 125                 | 117             | 10             | 97             | 99             | (2)             | -2%            | 117                |
| Housing Allowances  | 160             | 177                 | 160             | 13             | 133            | 137            | (4)             | -3%            | 160                |
| Other benefits and allowances                               | 459             | 492                 | 460             | 38             | 383            | 390            | (8)             | -2%            | 460                |
| <b>Sub Total - Senior Managers of Municipality</b>          | <b>6 105</b>    | <b>6 477</b>        | <b>6 097</b>    | <b>500</b>     | <b>5 108</b>   | <b>5 170</b>   | <b>(61)</b>     | <b>-1%</b>     | <b>6 097</b>       |
| % increase  |                 | 6,1%                | -0,1%           |                |                |                |                 |                | -0,1%              |
| <b>Other Municipal Staff</b>                                |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | 126 815         | 136 771             | 137 712         | 11 229         | 114 281        | 114 541        | (260)           | 0%             | 137 712            |
| Pension and UIF Contributions                               | 18 955          | 19 567              | 20 519          | 1 723          | 17 146         | 16 877         | 269             | 2%             | 20 519             |
| Medical Aid Contributions                                   | 9 177           | 9 338               | 9 848           | 838            | 8 267          | 8 088          | 179             | 2%             | 9 848              |
| Overtime  | 15 879          | 16 264              | 18 008          | 1 644          | 15 184         | 14 600         | 584             | 4%             | 18 008             |
| Performance Bonus   | 8 464           | 7 716               | 8 519           | 500            | 7 071          | 6 912          | 159             | 2%             | 8 519              |
| Motor Vehicle Allowance                                     | 16 182          | 17 160              | 20 268          | 1 732          | 16 987         | 16 165         | 822             | 5%             | 20 268             |
| Cellphone Allowance   | 851             | 858                 | 974             | 83             | 817            | 784            | 33              | 4%             | 974                |
| Housing Allowances  | 570             | 586                 | 585             | 49             | 487            | 487            | 0               | 0%             | 585                |
| Other benefits and allowances                               | 4 715           | 4 761               | 5 635           | 507            | 4 743          | 4 492          | 250             | 6%             | 5 635              |
| Payments in lieu of leave                                   | 3 207           | 1 204               | 1 885           | 83             | 1 285          | 1 412          | (127)           | -9%            | 1 885              |
| Long service awards   | 981             | 810                 | 1 044           | 24             | 934            | 815            | 119             | 15%            | 1 044              |
| Post-retirement benefit obligations                         | 6 069           | 3 343               | -               | -              | -              | 780            | (780)           | -100%          | -                  |
| <b>Sub Total - Other Municipal Staff</b>                    | <b>211 864</b>  | <b>218 378</b>      | <b>224 997</b>  | <b>18 412</b>  | <b>187 201</b> | <b>185 954</b> | <b>1 247</b>    | <b>1%</b>      | <b>224 997</b>     |
| % increase  |                 | 3,1%                | 6,2%            |                |                |                |                 |                | 6,2%               |
| <b>Total Parent Municipality</b>                            | <b>225 782</b>  | <b>233 777</b>      | <b>239 631</b>  | <b>19 481</b>  | <b>198 303</b> | <b>198 329</b> | <b>(25)</b>     | <b>0%</b>      | <b>239 631</b>     |
|   |                 | 3,5%                | 6,1%            |                |                |                |                 |                | 6,1%               |
| <b>Unpaid salary, allowances &amp; benefits in arrears:</b> |                 |                     |                 |                |                |                |                 |                |                    |
| <b>Board Members of Entities</b>                            |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | -               | 373                 | 373             | -              | -              | 311            | (311)           | -100%          | 373                |
| <b>Sub Total - Board Members of Entities</b>                | <b>-</b>        | <b>373</b>          | <b>373</b>      | <b>-</b>       | <b>-</b>       | <b>311</b>     | <b>(311)</b>    | <b>-100%</b>   | <b>373</b>         |
| % increase  |                 | #DIV/0!             | #DIV/0!         |                |                |                |                 |                | #DIV/0!            |
| <b>Senior Managers of Entities</b>                          |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | -               | 1 730               | 1 730           | -              | -              | 1 442          | (1 442)         | -100%          | 1 730              |
| <b>Sub Total - Senior Managers of Entities</b>              | <b>-</b>        | <b>1 730</b>        | <b>1 730</b>    | <b>-</b>       | <b>-</b>       | <b>1 442</b>   | <b>(1 442)</b>  | <b>-100%</b>   | <b>1 730</b>       |
| % increase  |                 | #DIV/0!             | #DIV/0!         |                |                |                |                 |                | #DIV/0!            |
| <b>Other Staff of Entities</b>                              |                 |                     |                 |                |                |                |                 |                |                    |
| Basic Salaries and Wages                                    | -               | 7 675               | 7 675           | -              | -              | 6 395          | (6 395)         | -100%          | 7 675              |
| Pension and UIF Contributions                               | -               | 1 470               | 1 470           | -              | -              | 1 225          | (1 225)         | -100%          | 1 470              |
| Medical Aid Contributions                                   | -               | 479                 | 479             | -              | -              | 399            | (399)           | -100%          | 479                |
| Performance Bonus   | -               | 533                 | 533             | -              | -              | 444            | (444)           | -100%          | 533                |
| Payments in lieu of leave                                   | -               | 43                  | 43              | -              | -              | 36             | (36)            | -100%          | 43                 |
| <b>Sub Total - Other Staff of Entities</b>                  | <b>-</b>        | <b>10 199</b>       | <b>10 199</b>   | <b>-</b>       | <b>-</b>       | <b>8 499</b>   | <b>(8 499)</b>  | <b>-100%</b>   | <b>10 199</b>      |
| % increase  |                 | #DIV/0!             | #DIV/0!         |                |                |                |                 |                | #DIV/0!            |
| <b>Total Municipal Entities</b>                             | <b>-</b>        | <b>12 301</b>       | <b>12 301</b>   | <b>-</b>       | <b>-</b>       | <b>10 251</b>  | <b>(10 251)</b> | <b>-100%</b>   | <b>12 301</b>      |
| <b>TOTAL SALARY, ALLOWANCES &amp; BENEFITS</b>              | <b>225 782</b>  | <b>246 079</b>      | <b>251 933</b>  | <b>19 481</b>  | <b>198 303</b> | <b>208 580</b> | <b>(10 276)</b> | <b>-5%</b>     | <b>251 933</b>     |
| % increase  |                 | 9,0%                | 11,6%           |                |                |                |                 |                | 11,6%              |
| <b>TOTAL MANAGERS AND STAFF</b>                             | <b>217 969</b>  | <b>236 784</b>      | <b>243 022</b>  | <b>18 912</b>  | <b>192 309</b> | <b>201 065</b> | <b>(8 755)</b>  | <b>-4%</b>     | <b>243 022</b>     |

## 2.6 Material Variances to the SDBIP

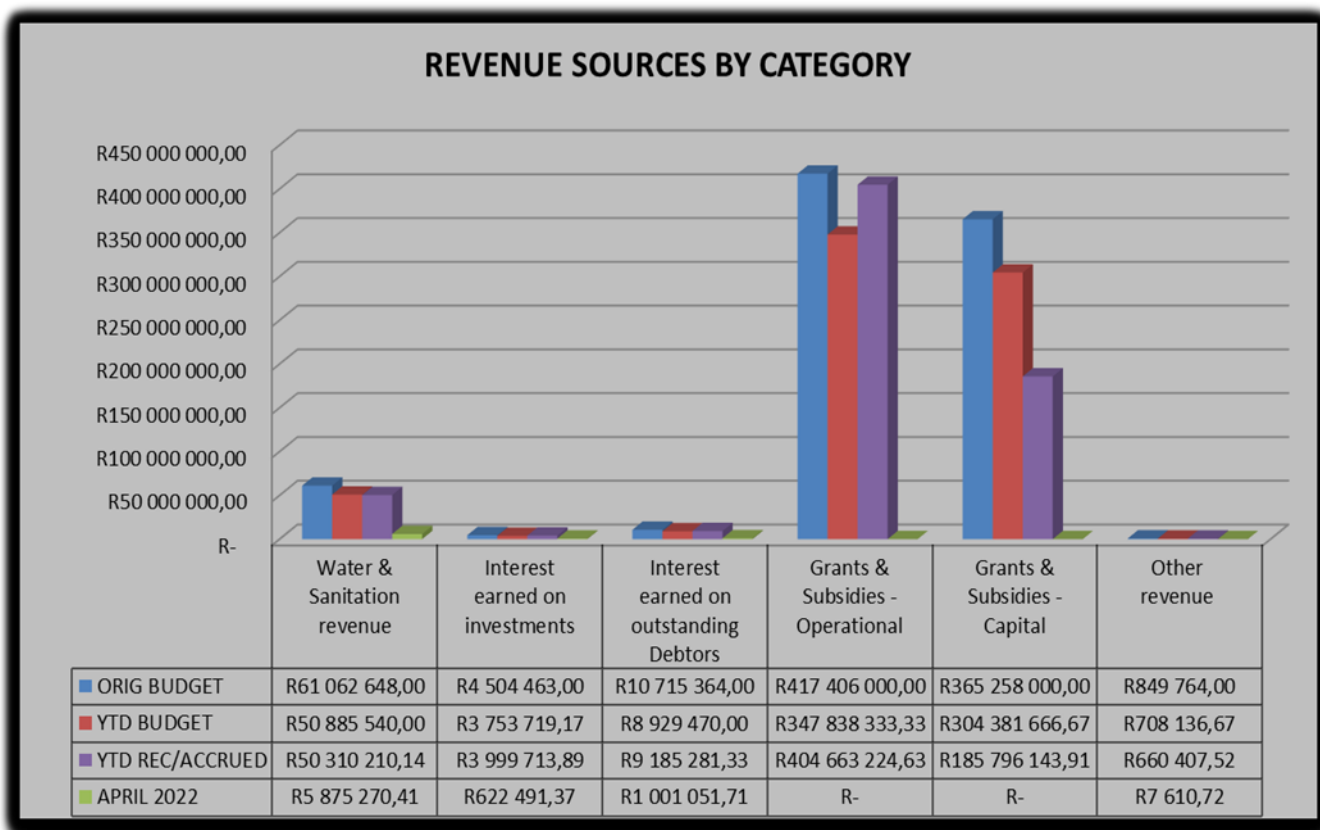
The following section analyses material variances between the actual targets as at 30 April 2022 and the budget for the same period. This report analyses each major component under following headings;

- ✓ Revenue by Source
- ✓ Operational Expenditure by Type, and
- ✓ Capital Expenditure
- ✓ Financial Position
- ✓ Cash Flows

### **REVENUE**

The chart displays a comparison between the 2021/2022 financial year revenue budget and the performance against this budget as depicted in the form of Year to date (YTD) Actual figures. It should be emphasised that the information presented relates to “performance” rather than “cash movements” in terms of the revenue items listed below. This accounting principle relating to municipal performance is best illustrated in the analysis that follows.

**Chart 3: Revenue Analysis**



### Water & Sanitation Charges

The year-to-date **actual** water & sanitation charges (**billing**) as of 30 April 2022 was R50, 3million against a year-to-date **budget** of R50, 8million or 99 percent.

### Interest Earned on External Investments

The interest earned on external investments year to date actual is R3, 9m against year to budget of R3, 7m representing 107 per cent of the planned expenditure.

## **Transfers Recognised - Operational**

The operational grants revenue of R404, 6million against a year-to-date budget of R347, 8million is largely attributable to the YTD equitable share received.

## **Transfers Recognised – Capital**

The operational grants revenue of R234, 8million against a year to date budget of R273, 5million is largely attributable to the expenditure on conditional grants such as Municipal Infrastructure Grant and Water Services Infrastructure Grant.

## **Other Revenue**

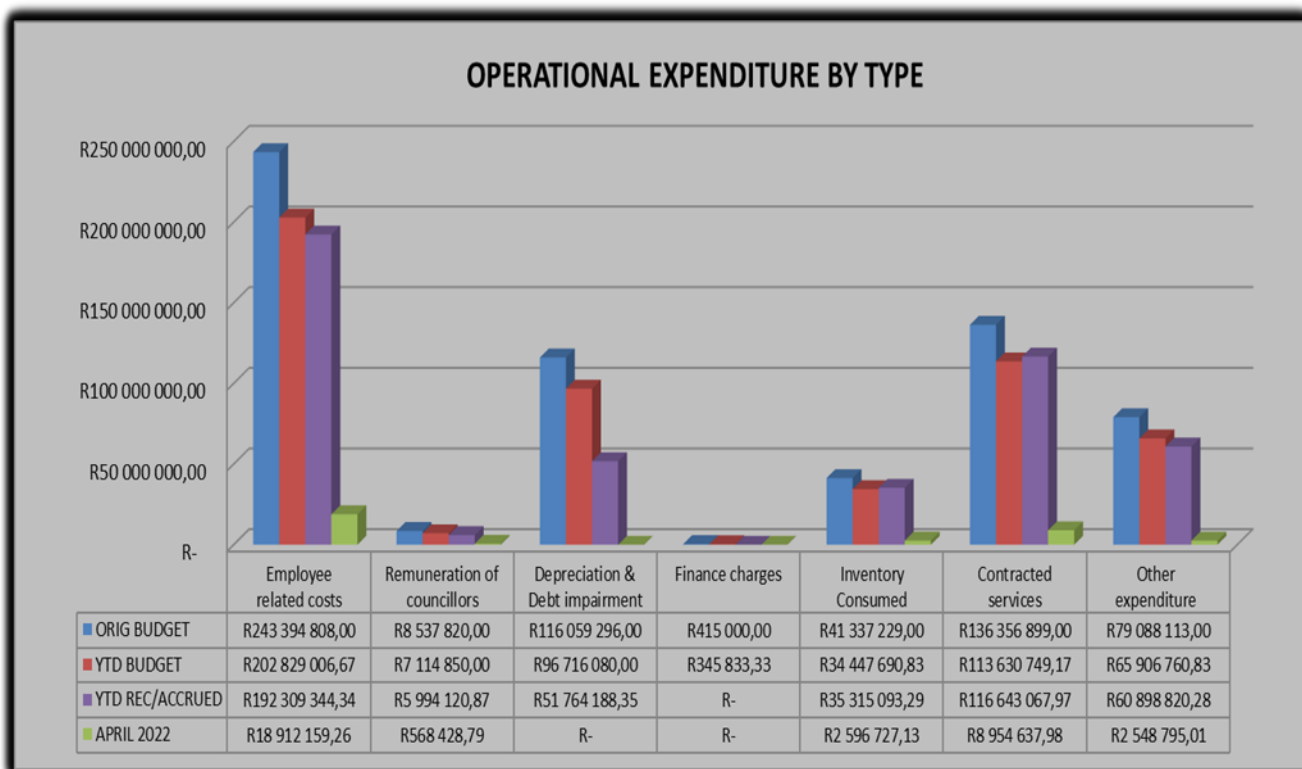
The YTD performance of other revenue is R660 408 against the YTD budget of R708 137 performance.

## **OPERATIONAL EXPENDITURE**

The chart below presents the YTD operational expenditure movements against the YTD budgets. An analysis of each expenditure line item category is discussed below.



**Chart 4: 2021/2022 financial year Opex**



### Employee Related Costs

The YTD budget for employee related costs is R202, 8million against a YTD actual of R192, 3million which is 95% of the YTD budget.

### Remuneration of Councillors

The remuneration of the councillor’s year to date expenditure is at R 5, 9million against a YTD budget of R 7, 1million representing 84% of the year to date budget.

### Finance Charges

No movement for finance charges in the period ending 30 April 2022.

## **Inventory/Bulk Purchases**

Inventory consumed has a budget of R41, 3m. The year to date expenditure on inventory consumed including bulk water purchases is R35, 3m against a YTD budget of R34, 4m representing 103% of the year to date budget and contributes to unauthorized expenditure if the remaining budget is not carefully monitored

## **Contracted Services**

The YTD budget for contracted services was at R 113, 6million against a YTD expenditure of R116, 6million and expenditure for the month of April 2022 is R8, 9million. Contracted Services over-performed by 3 percent as at 30 April 2022.

## **Other Expenditure**

The YTD budget for other expenditures was at R 65, 9million against a YTD expenditure of R 60, 8million which is 92% of the YTD budget, and expenditure for the month of April 2022 is R3, 8million.

## **Performance assessment**

The Performance Assessment Report will be available in the fourth quarter in terms of Sec 52 (d) of the Municipal Finance Management Act.

## **Actual and revised targets for cash receipts**

DC43 Harry Gwala - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M10 April

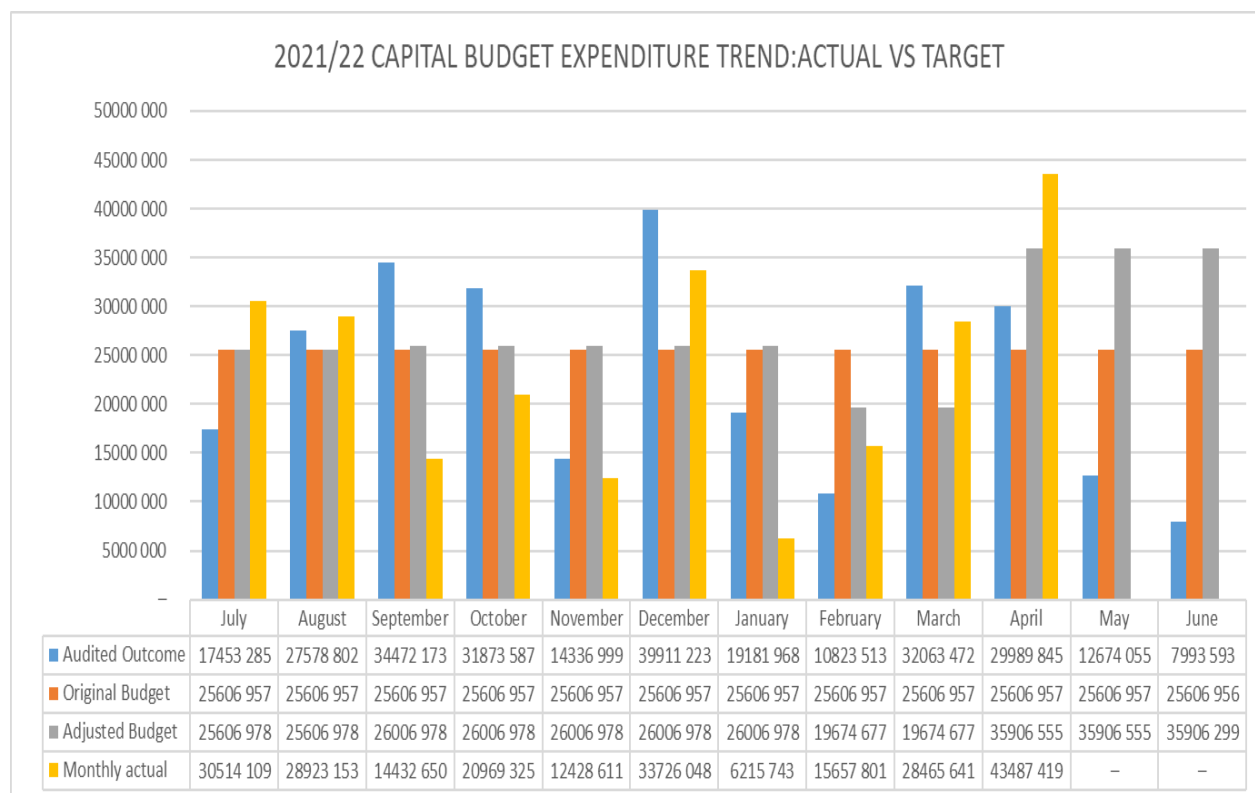
| Description   | Budget Year 2021/22 |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  | 2021/22 Medium Term Revenue & Expenditure Framework |                           |                           |
|---|---------------------|-------------------|-----------------|--------------------|-----------------|----------------|--------------------|-----------------|------------------|------------------|----------------|------------------|---|---------------------------|---------------------------|
|   | July<br>Outcome     | August<br>Outcome | Sept<br>Outcome | October<br>Outcome | Nov<br>Outcome  | Dec<br>Outcome | January<br>Outcome | Feb<br>Outcome  | March<br>Outcome | April<br>Outcome | May<br>Budget  | June<br>Budget   | Budget Year<br>2021/22                              | Budget Year<br>+1 2022/23 | Budget Year<br>+2 2023/24 |
| <b>R thousands</b>  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  |   |                           |                           |
| <b>Cash Receipts By Source</b>  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  |   |                           |                           |
| Property rates  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                | -                |   |                           |                           |
| Service charges - electricity revenue   |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                | -                |   |                           |                           |
| Service charges - water revenue   | 2 919               | 6 943             | 3 372           | 6 405              | 3 267           | 6 009          | 5 921              | 4 086           | 4 577            | 6 620            | 4 120          | (4 795)          | 49 445  | 46 921                    | 49 623                    |
| Service charges - sanitation revenue  | 557                 | 988               | 495             | 1 262              | 472             | 1 232          | 1 316              | 888             | 999              | 1 087            | 747            | (1 084)          | 8 959   | 13 009                    | 13 733                    |
| Interest earned - external investments  | 121                 | 502               | 377             | 391                | 389             | 326            | 464                | 470             | 336              | 622              | 368            | 47               | 4 414   | 4 679                     | 4 867                     |
| Licences and permits  | -                   | -                 | -               | -                  | -               | -              | -                  | 7               | 12               | 7                | -              | (26)             | -   | -                         | -                         |
| Agency services   |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                | -                |   |                           |                           |
| Transfers and Subsidies - Operational   | 160 611             | 2 493             | -               | 19 997             | 8 914           | 129 203        | 1 209              | 12 907          | 222 102          | 34 532           | 33 367         | (224 930)        | 400 406   | 446 738                   | 472 349                   |
| Other revenue   | -                   | 0                 | 0               | 96                 | 12              | -              | 13                 | 270             | 0                | 0                | 46             | 112              | 549   | 582                       | 606                       |
| <b>Cash Receipts by Source</b>  | <b>164 209</b>      | <b>10 925</b>     | <b>4 245</b>    | <b>28 151</b>      | <b>13 055</b>   | <b>136 769</b> | <b>8 923</b>       | <b>18 628</b>   | <b>228 027</b>   | <b>42 870</b>    | <b>38 648</b>  | <b>(230 676)</b> | <b>463 774</b>                                      | <b>511 930</b>            | <b>541 177</b>            |
| <b>Other Cash Flows by Source</b>   |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  |   |                           |                           |
| Transfers and subsidies - capital (monetary allocations) (National / Provincial and District) | 126 293             | -                 | 57 021          | (1 593)            | -               | 70 500         | 39 000             | -               | 78 380           | -                | 30 438         | (34 781)         | 365 258   | 320 236                   | 360 787                   |
| Increase (decrease) in consumer deposits  | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | -              | 149              | 149   | 149                       | 149                       |
| Decrease (increase) in non-current receivables  | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | -              | -                | -   | -                         | -                         |
| Decrease (increase) in non-current investments  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                | -                |   |                           |                           |
| <b>Total Cash Receipts by Source</b>  | <b>290 502</b>      | <b>10 925</b>     | <b>61 266</b>   | <b>26 558</b>      | <b>13 055</b>   | <b>207 269</b> | <b>47 923</b>      | <b>18 628</b>   | <b>306 407</b>   | <b>42 870</b>    | <b>69 086</b>  | <b>(265 308)</b> | <b>829 181</b>                                      | <b>832 315</b>            | <b>902 113</b>            |
| <b>Cash Payments by Type</b>  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  |   |                           |                           |
| Employee related costs  | -                   | 29 184            | 20 564          | 20 623             | 19 979          | 26 527         | 15 154             | 20 210          | 19 762           | 19 640           | 20 994         | 39 296           | 251 932   | 258 891                   | 271 689                   |
| Remuneration of councillors   |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                | -                |   |                           |                           |
| Interest paid   | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | 35             | 380              | 415   | -                         | -                         |
| Acquisitions - water & other inventory  | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | 2 156          | 23 719           | 25 875  | 23 000                    | 24 012                    |
| Contracted services   | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | 13 332         | 146 655          | 159 987   | 135 149                   | 140 987                   |
| Grants and subsidies paid - other   | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | 11             | 124              | 135   | -                         | -                         |
| General expenses  | 54 122              | 66 382            | 50 368          | 53 979             | 36 479          | 86 626         | 21 680             | 34 875          | 50 055           | 68 170           | 11 606         | (395 066)        | 139 274   | 96 641                    | 115 426                   |
| <b>Cash Payments by Type</b>  | <b>54 122</b>       | <b>95 565</b>     | <b>70 931</b>   | <b>74 602</b>      | <b>56 457</b>   | <b>113 153</b> | <b>36 835</b>      | <b>55 085</b>   | <b>69 817</b>    | <b>87 809</b>    | <b>48 135</b>  | <b>(184 892)</b> | <b>577 619</b>                                      | <b>513 680</b>            | <b>552 113</b>            |
| <b>Other Cash Flows/Payments by Type</b>  |                     |                   |                 |                    |                 |                |                    |                 |                  |                  |                |                  |   |                           |                           |
| Capital assets  | 30 514              | 28 923            | 14 433          | 20 969             | 12 429          | 33 726         | 6 216              | 15 658          | 28 466           | 43 487           | 27 360         | 66 137           | 328 318   | 298 345                   | 329 536                   |
| Other Cash Flows/Payments   | -                   | -                 | -               | -                  | -               | -              | -                  | -               | -                | -                | -              | -                | -   | 15 896                    | 15 896                    |
| <b>Total Cash Payments by Type</b>  | <b>84 636</b>       | <b>124 489</b>    | <b>85 364</b>   | <b>95 571</b>      | <b>68 886</b>   | <b>146 879</b> | <b>43 050</b>      | <b>70 743</b>   | <b>98 283</b>    | <b>131 297</b>   | <b>75 495</b>  | <b>(118 755)</b> | <b>905 936</b>                                      | <b>827 921</b>            | <b>897 545</b>            |
| <b>NET INCREASE/(DECREASE) IN CASH HELD</b>   | <b>205 866</b>      | <b>(113 563)</b>  | <b>(24 098)</b> | <b>(69 013)</b>    | <b>(55 831)</b> | <b>60 391</b>  | <b>4 872</b>       | <b>(52 115)</b> | <b>208 124</b>   | <b>(88 427)</b>  | <b>(6 409)</b> | <b>(146 553)</b> | <b>(76 755)</b>                                     | <b>4 393</b>              | <b>4 568</b>              |
| Cash/cash equivalents at the month/year beginning:  | 51 862              | 257 729           | 144 165         | 120 067            | 51 054          | (4 778)        | 55 613             | 60 485          | 8 371            | 216 495          | 128 068        | 121 659          | 51 862  | (24 893)                  | (20 500)                  |
| Cash/cash equivalents at the month/year end:  | 257 729             | 144 165           | 120 067         | 51 054             | (4 778)         | 55 613         | 60 485             | 8 371           | 216 495          | 128 068          | 121 659        | (24 893)         | (24 893)  | (20 500)                  | (15 932)                  |

## Capital Expenditure Trend

DC43 Harry Gwala - Supporting Table SC12 Consolidated Monthly Budget Statement - capital expenditure trend - M10 April

| Month  | 2020/21         | Budget Year 2021/22 |                 |                |               |               |              |                |                            |
|--|-----------------|---------------------|-----------------|----------------|---------------|---------------|--------------|----------------|----------------------------|
|  | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance | YTD variance % | % spend of Original Budget |
| <b>R thousands</b>                           |                 |                     |                 |                |               |               |              |                |                            |
| <b>Monthly expenditure performance trend</b> |                 |                     |                 |                |               |               |              |                |                            |
| July   | 17 453          | 25 607              | 25 607          | 30 514         | 30 514        | 25 607        | (4 907)      | -19,2%         | 10%                        |
| August                                       | 27 579          | 25 607              | 25 607          | 28 923         | 59 437        | 51 214        | (8 223)      | -16,1%         | 19%                        |
| September                                    | 34 472          | 25 607              | 26 007          | 14 433         | 73 870        | 77 221        | 3 351        | 4,3%           | 24%                        |
| October                                      | 31 874          | 25 607              | 26 007          | 20 969         | 94 839        | 103 228       | 8 389        | 8,1%           | 31%                        |
| November                                     | 14 337          | 25 607              | 26 007          | 12 429         | 107 268       | 129 235       | 21 967       | 17,0%          | 35%                        |
| December                                     | 39 911          | 25 607              | 26 007          | 33 726         | 140 994       | 155 242       | 14 248       | 9,2%           | 46%                        |
| January                                      | 19 182          | 25 607              | 26 007          | 6 216          | 147 210       | 181 249       | 34 039       | 18,8%          | 48%                        |
| February                                     | 10 824          | 25 607              | 19 675          | 15 658         | 162 867       | 200 924       | 38 056       | 18,9%          | 53%                        |
| March  | 32 063          | 25 607              | 19 675          | 28 466         | 191 333       | 220 598       | 29 265       | 13,3%          | 62%                        |
| April  | 29 990          | 25 607              | 35 907          | 43 487         | 234 820       | 256 505       | 21 684       | 8,5%           | 0                          |
| May  | 12 674          | 25 607              | 35 907          | -              | -             | 292 411       | -            | -              | -                          |
| June   | 7 994           | 25 607              | 35 906          | -              | -             | 328 318       | -            | -              | -                          |
| <b>Total Capital expenditure</b>             | <b>278 353</b>  | <b>307 283</b>      | <b>328 318</b>  | <b>234 820</b> |               |               |              |                |                            |

## YTD Capital Budget vs. YTD Capital Expenditure



## Capital Expenditure on New Assets by Asset Class

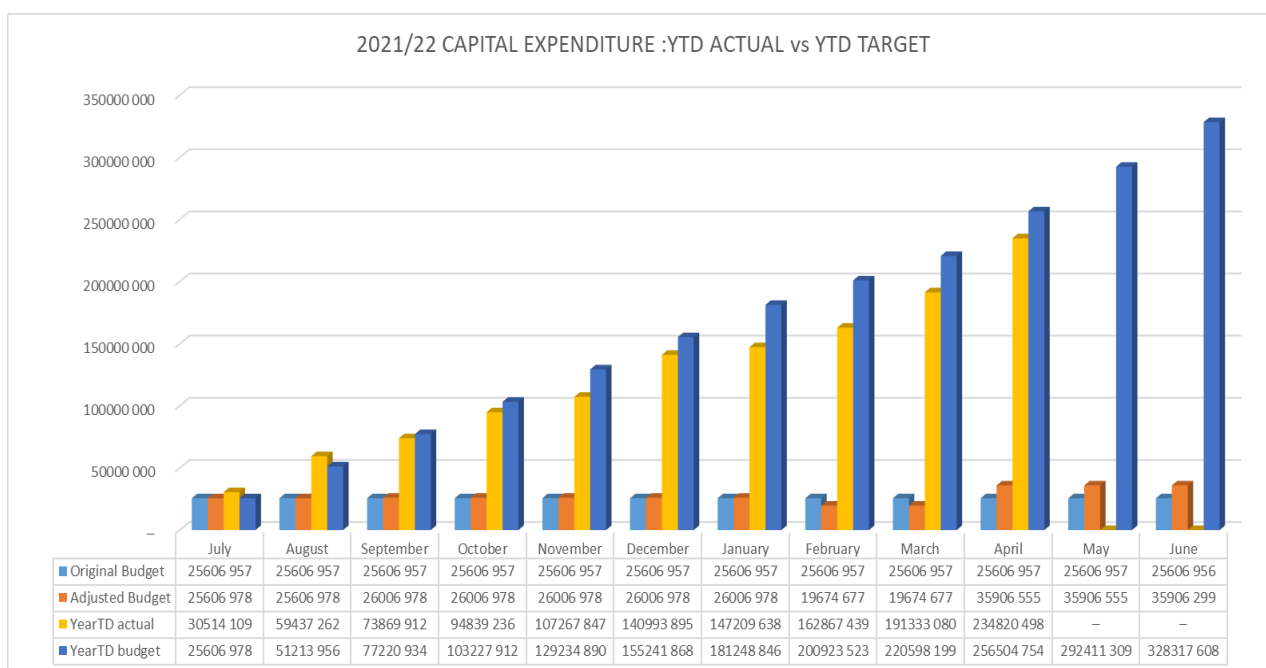
DC43 Harry Gwala - Supporting Table SC13a Consolidated Monthly Budget Statement - capital expenditure on new assets by asset class - M10

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |                |                |               |                |                    |
|---|-----------------|---------------------|-----------------|----------------|----------------|----------------|---------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual  | YearTD budget  | YTD variance  | YTD variance % | Full Year Forecast |
| <b>R thousands</b>  |                 |                     |                 |                |                |                |               |                |                    |
| <b>Capital expenditure on new assets by Asset Class/Sub-class</b> |                 |                     |                 |                |                |                |               |                |                    |
| <b>Infrastructure</b>   | <b>245 738</b>  | <b>283 958</b>      | <b>242 409</b>  | <b>26 899</b>  | <b>197 924</b> | <b>209 081</b> | 11 157        | 5,3%           | <b>242 409</b>     |
| <i>Capital Spares</i>   |                 |                     |                 |                |                |                | -             |                |                    |
| Water Supply Infrastructure                                       | 237 781         | 228 108             | 193 464         | 20 562         | 155 255        | 165 481        | 10 225        | 6,2%           | 193 464            |
| Dams and Weirs  | 24 469          | 25 000              | 4 805           | -              | 4 720          | 8 198          | 3 478         | 42,4%          | 4 805              |
| Boreholes   | 23 814          | 57 275              | 59 004          | 2 947          | 47 957         | 48 739         | 781           | 1,6%           | 59 004             |
| Reservoirs  | 870             | 7 000               | 3 315           | -              | 3 315          | 3 621          | 306           | 8,4%           | 3 315              |
| Pump Stations   | 30 873          | 31 000              | 26 737          | -              | 21 875         | 22 070         | 195           | 0,9%           | 26 737             |
| Water Treatment Works   | 4 539           | 7 500               | 8 585           | 48             | 8 400          | 7 141          | (1 259)       | -17,6%         | 8 585              |
| Bulk Mains  | 77 052          | 26 508              | 16 764          | 6 025          | 13 970         | 14 335         | 366           | 2,6%           | 16 764             |
| Distribution  | 76 164          | 73 825              | 74 253          | 11 542         | 55 018         | 61 376         | 6 358         | 10,4%          | 74 253             |
| Distribution Points   |                 |                     |                 |                |                |                | -             |                |                    |
| PRV Stations  |                 |                     |                 |                |                |                | -             |                |                    |
| <i>Capital Spares</i>   | -               | -                   | -               | -              | -              | -              | -             |                | -                  |
| Sanitation Infrastructure   | 7 958           | 55 850              | 48 945          | 6 337          | 42 668         | 43 601         | 932           | 2,1%           | 48 945             |
| Pump Station  | 1 580           | 30 000              | 15 888          | 135            | 13 136         | 16 934         | 3 798         | 22,4%          | 15 888             |
| Reticulation  | 6 378           | 20 000              | 17 637          | 1 691          | 16 396         | 16 228         | (168)         | -1,0%          | 17 637             |
| Waste Water Treatment Works                                       | -               | -                   | -               | -              | -              | -              | -             |                | -                  |
| Outfall Sewers  | -               | -                   | 4 001           | 3 413          | 3 413          | 1 334          | (2 079)       | -155,9%        | 4 001              |
| Toilet Facilities   | -               | 5 850               | 11 418          | 1 099          | 9 723          | 9 105          | (618)         | -6,8%          | 11 418             |
| <b>Other assets</b>   | <b>1 610</b>    | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>      |                | <b>-</b>           |
| Operational Buildings   | 1 610           | -                   | -               | -              | -              | -              | -             |                | -                  |
| Municipal Offices   | 1 610           | -                   | -               | -              | -              | -              | -             |                | -                  |
| <b>Intangible Assets</b>  | <b>-</b>        | <b>1 418</b>        | <b>450</b>      | <b>-</b>       | <b>-</b>       | <b>601</b>     | <b>601</b>    | 100,0%         | <b>450</b>         |
| <i>Servitudes</i>   |                 |                     |                 |                |                |                | -             |                |                    |
| Licences and Rights   | -               | 1 418               | 450             | -              | -              | 601            | 601           | 100,0%         | 450                |
| Computer Software and Applications                                | -               | 1 418               | 450             | -              | -              | 601            | 601           | 100,0%         | 450                |
| Load Settlement Software Applications                             |                 |                     |                 |                |                |                | -             |                |                    |
| Unspecified   |                 |                     |                 |                |                |                | -             |                |                    |
| <b>Computer Equipment</b>   | <b>1 566</b>    | <b>2 130</b>        | <b>1 409</b>    | <b>-</b>       | <b>779</b>     | <b>1 342</b>   | <b>564</b>    | 42,0%          | <b>1 409</b>       |
| Computer Equipment  | 1 566           | 2 130               | 1 409           | -              | 779            | 1 342          | 564           | 42,0%          | 1 409              |
| <b>Furniture and Office Equipment</b>                             | <b>1 768</b>    | <b>3 057</b>        | <b>1 400</b>    | <b>-</b>       | <b>671</b>     | <b>1 553</b>   | <b>882</b>    | 56,8%          | <b>1 400</b>       |
| Furniture and Office Equipment                                    | 1 768           | 3 057               | 1 400           | -              | 671            | 1 553          | 882           | 56,8%          | 1 400              |
| <b>Machinery and Equipment</b>                                    | <b>9 099</b>    | <b>220</b>          | <b>47</b>       | <b>-</b>       | <b>47</b>      | <b>80</b>      | <b>32</b>     | 40,7%          | <b>47</b>          |
| Machinery and Equipment   | 9 099           | 220                 | 47              | -              | 47             | 80             | 32            | 40,7%          | 47                 |
| <b>Transport Assets</b>   | <b>7 355</b>    | <b>-</b>            | <b>-</b>        | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>      |                | <b>-</b>           |
| Transport Assets  | 7 355           | -                   | -               | -              | -              | -              | -             |                | -                  |
| <b>Total Capital Expenditure on new assets</b>                    | <b>267 136</b>  | <b>290 783</b>      | <b>245 714</b>  | <b>26 899</b>  | <b>199 421</b> | <b>212 657</b> | <b>13 237</b> | <b>6,2%</b>    | <b>245 714</b>     |

### Capital Expenditure on Renewal of Existing Assets by Asset Class

DC43 Harry Gwala - Supporting Table SC13b Consolidated Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M10

| Description   | 2020/21         | Budget Year 2021/22 |                 |                |               |               |               |                |                    |
|---|-----------------|---------------------|-----------------|----------------|---------------|---------------|---------------|----------------|--------------------|
|   | Audited Outcome | Original Budget     | Adjusted Budget | Monthly actual | YearTD actual | YearTD budget | YTD variance  | YTD variance % | Full Year Forecast |
| <b>R thousands</b>  |                 |                     |                 |                |               |               |               |                |                    |
| <b>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</b> |                 |                     |                 |                |               |               |               |                |                    |
| <b>Infrastructure</b>   | 8 110           | 15 800              | 56 928          | 1 696          | 15 970        | 33 654        | 17 683        | 52,5%          | 56 928             |
| Roads Infrastructure  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Water Supply Infrastructure   | 982             | 15 800              | 27 363          | 1 696          | 10 408        | 15 115        | 4 707         | 31,1%          | 27 363             |
| Dams and Weirs  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Boreholes   | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Reservoirs  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Pump Stations   | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Water Treatment Works   | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Bulk Mains  | -               | 500                 | 14 500          | -              | -             | 4 950         | 4 950         | 100,0%         | 14 500             |
| Distribution  | 982             | 15 300              | 12 863          | 1 696          | 10 408        | 10 165        | (243)         | -2,4%          | 12 863             |
| Distribution Points   | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| PRV Stations  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Capital Spares  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Sanitation Infrastructure   | 7 128           | -                   | 29 565          | -              | 5 563         | 18 539        | 12 977        | 70,0%          | 29 565             |
| Pump Station  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Reticulation  | -               | -                   | -               | -              | -             | -             | -             | -              | -                  |
| Waste Water Treatment Works   | 7 128           | -                   | 29 565          | -              | 5 563         | 18 539        | 12 977        | 70,0%          | 29 565             |
| <b>Machinery and Equipment</b>  | -               | 200                 | 150             | -              | -             | 137           | 137           | 100,0%         | 150                |
| Machinery and Equipment   | -               | 200                 | 150             | -              | -             | 137           | 137           | 100,0%         | 150                |
| <b>Transport Assets</b>   | 7 032           | -                   | 5 246           | -              | 4 396         | 3 148         | (1 249)       | -39,7%         | 5 246              |
| Transport Assets  | 7 032           | -                   | 5 246           | -              | 4 396         | 3 148         | (1 249)       | -39,7%         | 5 246              |
| <b>Total Capital Expenditure on renewal of existing assets</b>                    | <b>15 142</b>   | <b>16 000</b>       | <b>62 324</b>   | <b>1 696</b>   | <b>20 367</b> | <b>36 938</b> | <b>16 572</b> | <b>44,9%</b>   | <b>62 324</b>      |



## **2.7 Municipal Manager's Quality's Certificate**

### Quality Certificate

I, Adelaide Nomnandi Dlamini, the Municipal Manager of Harry Gwala District Municipality, hereby certify that-

- The monthly budget statement

For the month of April 2022 has been prepared in accordance with the Municipal Finance Management Act and regulations made under that Act.

Print name: Adelaide Nomnandi Dlamini

Municipal Manager of: Harry Gwala District Municipality

Signed \_\_\_\_\_

Date \_\_\_\_\_